United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
www.ams.usda.gov/GTR

Contact Us

February 25, 2016

Contents

The next release is March 3, 2016

WEEKLY HIGHLIGHTS

Total Grain Inspections Down but Corn Shipments Increase

For the week ending February 18, **total inspections of grain** (corn, wheat, soybeans) for export from all major export regions reached 2.8 million metric tons (mmt), down 6 percent from the past week, 6 percent above last year, and 13 percent above the 3-year average. Corn inspections continued to increase, up 30 percent from the previous week as shipments to Latin America increased. Soybean and wheat inspections, however, decreased 13 and 36 percent from the past week. Pacific Northwest (PNW) grain inspections were down 6 percent from the previous week, and Mississippi Gulf grain inspections decreased 8 percent for the same period. Outstanding export sales (unshipped) were up for corn but down for wheat and soybeans.

Winter Floods Impacting Mouth of Mississippi River

Unusual winter flooding has caused sediment build-up at the mouth of the Mississippi River and has reduced maximum draft allowances for vessels transiting the area of the Southwest Pass, the main navigation channel directly connecting the Mississippi River with the Gulf of Mexico. On January 30, the Associated Branch Pilots, the only trained vessel operators that can maneuver vessels through the Southwest Pass, recommended that vessels should not have a deep draft in fresh water in excess of 41 feet. The U.S. Army Corps of Engineers is authorized to maintain a 45-foot draft, and has dredges on site that are in the process of deepening the channel. Generally, ocean-going grain vessels draft about 39 feet and so far can still transit the Southwest Pass under these conditions.

USDA Agricultural Projections to 2025

On Febrary 18, the USDA released its complete USDA Agricultural Projections to 2025 report (select tables were available earlier). These projections are a departmental consensus on a longrun representative scenario for the agricultural sector for the next 10 years, and cover agricultural commodities, agricultural trade, and aggregate indicators of the sector, such as farm income. Among other observations pertaining to grain, USDA projects moderate growth in the demand for U.S. corn over the next decade with rising yields boosting production and supporting growth in usage. U.S. wheat exports are expected to increase from recent lows. Growth in both domestic use and export demand of soybeans is also antipated during the projection period. If realized, the projections could impact the demand for grain transportation.

Snapshots by Sector

Export Sales

During the week ending February 11, **unshipped balances** of wheat, corn, and soybeans totaled 22.7 mmt, down 24 percent from the same time last year. Net weekly **wheat export sales** of .254 mmt were down 3 percent from the previous week. Net **corn export sales** were 1.05 mmt, up notably from the previous week, and net **soybean export sales** were .473 mmt, down 29 percent from the past week.

Rail

U.S. Class I railroads originated 22,476 **grain carloads** for the week ending February 13, up 1 percent from the previous week, down 3 percent from last year, and up 10 percent from the 3-year average.

Average March shuttle **secondary railcar bids/offers** per car were $132 below tariff for the week ending February 18, up $19 from last week, and $119 higher than last year. Average non-shuttle secondary railcar bids/offers were $50 below tariff. There were no non-shuttle secondary railcar bids/offers last week or this week last year.

Barge

For the week ending February 20, **barge grain movements** totaled 374,150 tons, 50 percent lower than last week, and down 27 percent from the same period last year.

For the week ending February 20, 234 grain barges **moved down river**, down 49 percent from last week; 855 grain barges were **unloaded in New Orleans**, up 2 percent from the previous week.

Ocean

For the week ending February 18, 41 **ocean-going grain vessels** were loaded in the Gulf, 2 percent less than the same period last year. Fifty-three vessels are expected to be loaded within the next 10 days, 7 percent less than the same period last year.

For the week ending February 18, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $22.50 per metric ton, down 1 percent from the previous week. The cost of shipping from the PNW to Japan was $13.00 per metric ton, 2 percent more than the previous week.

Fuel

During the week ending February 22, U.S. average **diesel fuel prices** were unchanged from the previous week at $1.98 per gallon—down $0.92 from the same week last year.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* February 25, 2016.
Web: **http://dx.doi.org/10.9752/TS056.02-25-2016**

Feature Article/Calendar

With Reduced Landed Cost, Mexico Imported More Corn During Fourth Quarter

Mexico imported more corn during the fourth quarter of 2015, compared to the same period a year ago, as the landed costs for corn, wheat, and soybeans generally declined. The landed costs fell during the quarter, and also compared to a year earlier (see table below). The reduced landed costs were caused by both lower transportation costs and lower farm prices.

Quarterly costs of transporting U.S. grain to Guadalajara, Mexico										
	Water route (to Veracruz) $/metric ton					Land route (to Guadalajara) $/metric ton				
	2014 4th qtr.	2015 3rd qtr.	2015 4th qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.	2014 4th qtr.	2015 3rd qtr.	2015 4th qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.
Corn										
Origin			IL					IA		
Truck[1]	12.06	8.50	8.38	-30.5	-1.4	4.48	3.66	3.35	-25.2	-8.5
Rail [2]						89.57	88.22	87.40	-2.4	-0.9
Ocean[3]	13.96	12.85	12.12	-13.2	-5.7					
Barge	34.00	21.43	18.62	-45.2	-13.1					
Total transportation cost[4]	60.02	42.78	39.12	-34.8	-8.6	94.05	91.88	90.75	-3.5	-1.2
Farm Value[5]	144.09	146.58	146.84	1.9	0.2	144.87	144.61	139.63	-3.6	-3.4
Landed Cost[6]	204.11	189.36	185.96	-8.9	-1.8	238.92	236.49	230.38	-3.6	-2.6
Transport % of landed cost	29	23	21			39	39	39		
Soybeans										
Origin			IL					NE		
Truck	12.06	8.50	8.38	-30.5	-1.4	4.48	3.66	3.35	-25.2	-8.5
Rail						94.65	93.28	94.53	-0.1	1.3
Ocean	13.96	12.85	12.12	-13.2	-5.7					
Barge	34.00	21.43	18.62	-45.2	-13.1					
Total transportation cost	60.02	42.78	39.12	-34.8	-8.6	99.13	96.94	97.88	-1.3	1.0
Farm Value	379.68	353.84	329.59	-13.2	-6.9	357.27	239.76	310.61	-13.1	29.6
Landed Cost	439.70	396.62	368.71	-16.1	-7.0	456.40	336.70	408.49	-10.5	21.3
Transport % of landed cost	14	11	11			22	29	24		
Wheat										
Origin			KS					KS		
Truck	4.48	3.66	3.35	-25.2	-8.5	4.48	3.66	3.35	-25.2	-8.5
Rail	36.67	38.05	39.03	6.4	2.6	78.60	74.94	72.85	-7.3	-2.8
Ocean	13.96	12.85	12.12	-13.2	-5.7					
Total transportation cost	55.11	54.56	54.50	-1.1	-0.1	83.08	78.60	76.20	-8.3	-3.1
Farm Value	213.60	173.06	156.65	-26.7	-9.5	213.60	173.06	156.65	-26.7	-9.5
Landed Cost	268.71	227.62	211.15	-21.4	-7.2	296.68	251.66	232.85	-21.5	-7.5
Transport % of landed cost	21	24	26			28	31	33		

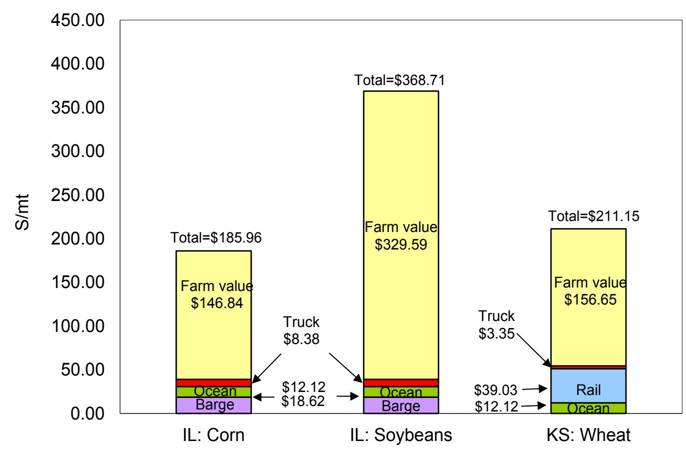
[1]Truck rates for the second quarter were revised from the previous estimates.
[2]Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are estimated based on actual quoted market rates. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains. Rail rates include fuel surcharges, but do not include the cost of purchasing empty rail cars in the secondary market, which could exceed the rail tariff rate plus fuel surcharge shown in the table. Origins are modified from past tables. Rail rates for the water route were revised from previous estimates
[3]Source: O'Neil Commodity Consulting
[4]Transportation costs for Kansas wheat transported via water route were revised from previous estimates
[5]Source: USDA/NASS
[6]Landed cost is total transportation cost plus farm value

The transportation costs for shipping corn and soybeans from Illinois to Veracruz, Mexico, via the water route decreased by 9 percent from the previous quarter, while the cost of shipping wheat from Kansas to Veracruz remained relatively unchanged during the quarter. The cost of transporting corn and wheat to Guadalajara, Mexico, by land decreased by 1 and 3 percent, respectively, while the cost of transporting soybeans increased by 1 percent. However, the cost of transporting all grains, either through the water route or by land, decreased from a year ago. Transportation costs for the water route were pushed down by reduced truck, barge, and ocean freight rates. The costs of shipping corn and wheat by land fell due to decreased truck and rail tariff rates. Truck rates declined during the quarter partly due to lower diesel fuel costs (see **Figure 13** inside the Grain Transportation Report (GTR)). Similarly, rail tariff rates were pushed down in part by falling fuel surcharges (see **Figure 7** inside the GTR).

Barge and ocean freight rates fell from their relative peaks in September during the harvest season (see **figures 8** and **17** inside the GTR, respectively).

With the exemption of soybeans in Nebraska, farm prices fell or remained relatively unchanged, resulting in lower landed costs compared to the previous quarter, and a year earlier. The landed costs ranged from $186 to $369 per metric ton (mt) (see Table and Figure 1) for the water route, and from $230 to $408 per mt for the land route (see Table and Figure 2). Transportation costs as percent of the landed costs are mixed (see Ttable). The costs of transporting corn from Illinois by water route, and soybeans from Nebraska by land to Mexico represented a smaller percentage of the landed cost, compared to the previous quarter. The costs of transporting Illinois soybeans by water route and Iowa corn by land represented the same proportion of the landed costs as they did last quarter, while the costs of transporting wheat from Kansas on both routes represented an increase proportion of the landed cost, compared to the previous quarter. The transportation share of the landed costs ranged from 11 to 26 percent for the water route and from 24 to 39 percent for the land route.

Figure 1. Water route shipment costs ($/mt) to Veracruz, Mexico

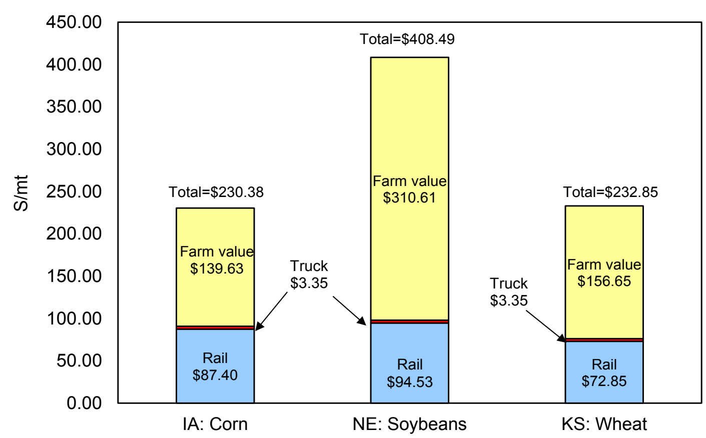


Source: USDA, Agricultural Marketing Service

Market Analysis and Outlook

Amid attractive farm prices, Mexico imported 2.90 million metric tons (mmt) of corn during the fourth quarter—30 percent more than the same period a year earlier. Despite the moderate prices, the total value of the corn imports was $535 million—a 27 percent increase over a year ago. Mexico imported 11.8 mmt of corn from the United States during calendar year 2015, a 14 percent increase over a year earlier. However, Mexico imported less wheat and soybeans during calendar year 2015, compared to a year ago. Despite the negative impact of cooler weather in Sinaloa's corn production area during December 2015, Mexico's corn production estimate remained unchanged for the marketing year (MY) 2015/16 as the damages were insignificant (*USDA, FAS GAIN Report #: MX6004*).

Figure 2. Land route shipment costs ($/mt) to Guadalajara, Mexico



Source: USDA, Agricultural Marketing Service

Mexico's corn import for MY 2015/16 is estimated slightly up at 11.3 mmt. Mexican feed grain importers are encouraged by favorable corn prices, compared to sorghum, to import a higher level of feed corn instead of sorghum. In addition, MY 2015/16 Mexico's wheat production is forecast to be down. The lower-than-expected wheat production may encourage imports from the United States. Key corn importers, such as starch companies, have signaled their intentions to import more U.S. yellow corn during the rest of the marketing year out of quality concerns and to curb the reduced domestic supply (*USDA, FAS GAIN Report #: MX6004*).

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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators [1]

For the week ending	Truck	Rail: Unit Train	Rail: Shuttle	Barge	Ocean: Gulf	Ocean: Pacific
02/24/16	133	259	210	142	101	92
02/17/16	133	256	204	143	102	90

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = near-month secondary rail market bid and monthly tariff rate with fuel surcharge ($/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

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

Commodity	Origin--Destination	2/19/2016	2/12/2016
Corn	IL--Gulf	-0.50	-0.51
Corn	NE--Gulf	-0.71	-0.73
Soybean	IA--Gulf	-1.06	-1.11
HRW	KS--Gulf	-1.38	-1.43
HRS	ND--Portland	-1.69	-1.70

Note: nq = no quote

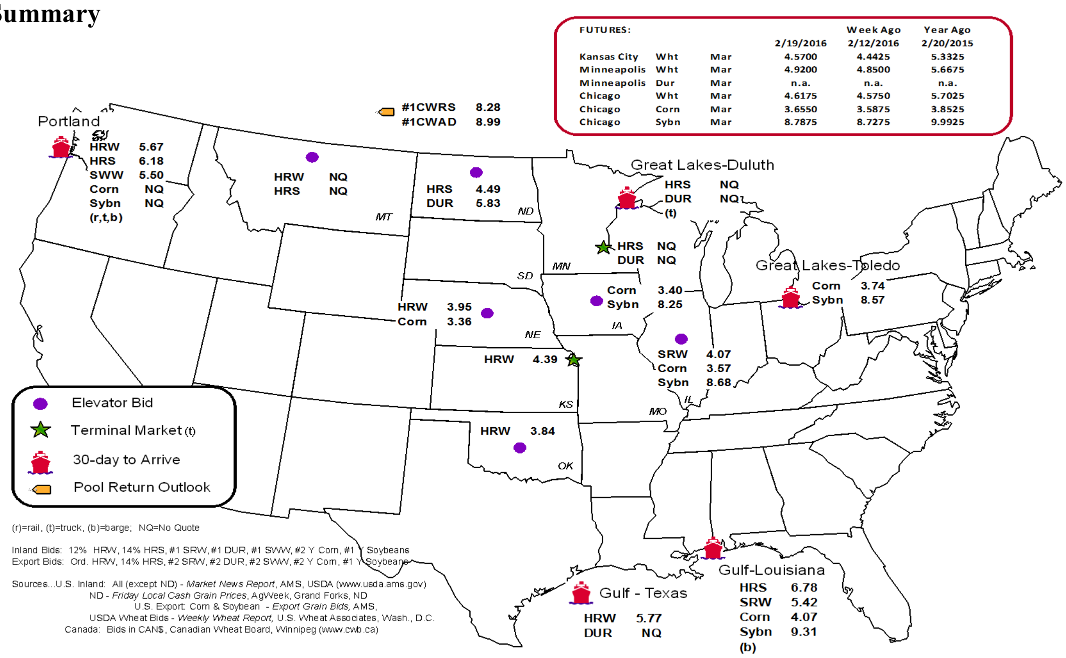
Source: Transportation & Marketing Programs/AMS/USDA

n/a: quotes are not available due to the holiday

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]

For the Week Ending	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
2/17/2016[p]	566	1,242	6,595	862	9,265	2/13/2016	1,969
2/10/2016[r]	886	1,687	6,220	798	9,591	2/6/2016	1,777
2016 YTD[r]	4,225	10,219	41,531	5,208	61,183	2016 YTD	12,080
2015 YTD[r]	6,432	7,396	38,875	6,707	59,410	2015 YTD	10,897
2016 YTD as % of 2015 YTD	66	138	107	78	103	% change YTD	111
Last 4 weeks as % of 2015[2]	92	145	108	98	110	Last 4wks % 2015	108
Last 4 weeks as % of 4-year avg.[2]	95	146	129	103	121	Last 4wks % 4 yr	115
Total 2015	29,054	60,819	239,029	26,730	355,632	Total 2015	97,736
Total 2014	44,617	83,674	256,670	32,107	417,068	Total 2014	98,422

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2015 and prior 4-year average.

[3] Cross-border weekly data is approximately 15 percent below the Association of American Railroads' reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

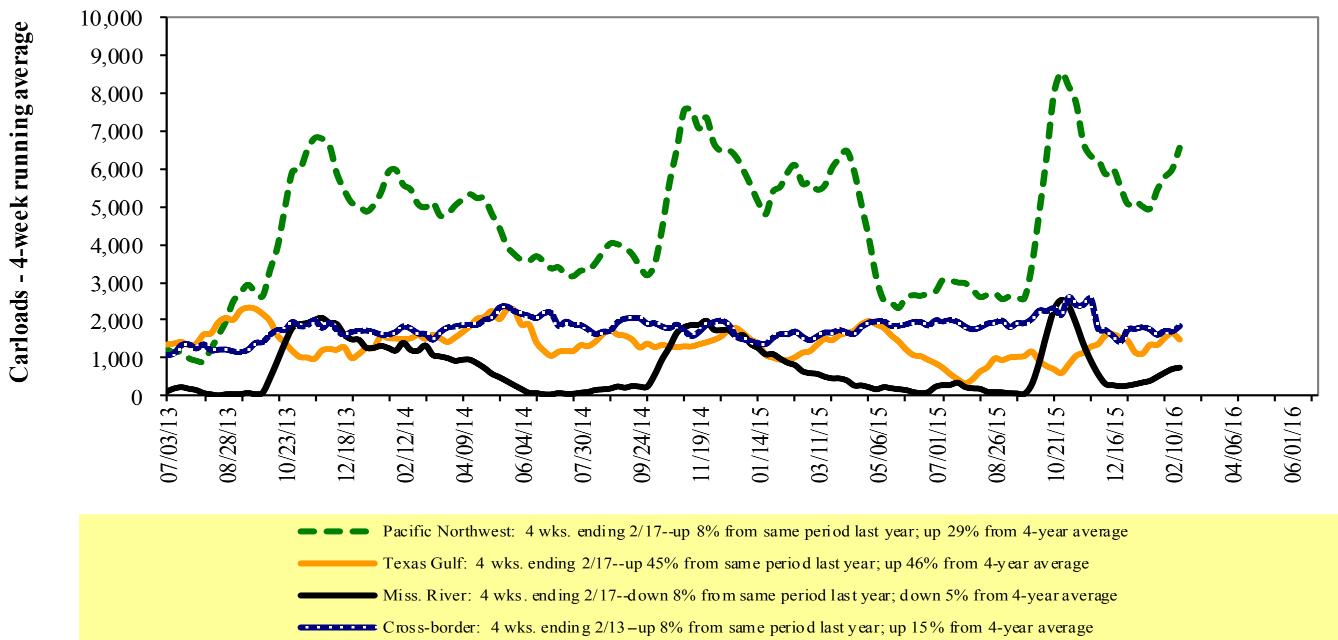
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 24 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)

For the week ending: 2/13/2016	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	2,066	2,851	11,479	985	5,095	22,476	3,563	4,854
This week last year	2,405	2,669	11,492	923	5,773	23,262	3,874	3,996
2016 YTD	12,295	17,117	66,671	5,332	31,764	133,179	21,049	25,879
2015 YTD	14,568	18,884	65,424	5,192	35,023	139,091	24,603	26,711
2016 YTD as % of 2015 YTD	84	91	102	103	91	96	86	97
Last 4 weeks as % of 2015*	86	96	100	99	93	96	87	99
Last 4 weeks as % of 3-yr avg.**	102	102	114	107	105	108	95	90
Total 2015	104,039	149,043	536,173	45,445	267,720	1,102,420	211,868	236,263

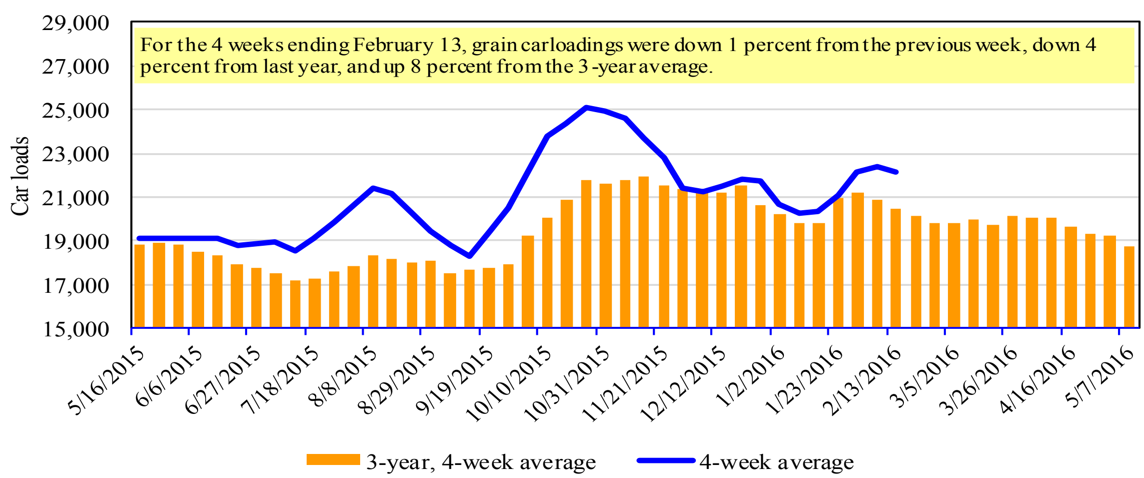
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**The past 4 weeks as a percent of the same period from 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

Railcar Auction Offerings[1] ($/car)[2]

For the week ending: 2/18/2016		Mar-16	Mar-15	Apr-16	Apr-15	May-16	May-15	Jun-16	Jun-15
		Delivery period							
BNSF[3]	COT grain units	no bids	no offer	no bids	3	no bids	no offer	no offer	no offer
	COT grain single-car[5]	0 . . 1	no offer	0	0 . . 6	no bids	no offer	no offer	no offer
UP[4]	GCAS/Region 1	no bids	no offer	no bids	no offer	no bids	no offer	n/a	n/a
	GCAS/Region 2	no bids	no offer	no bids	no offer	no bids	no offer	n/a	n/a

[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.

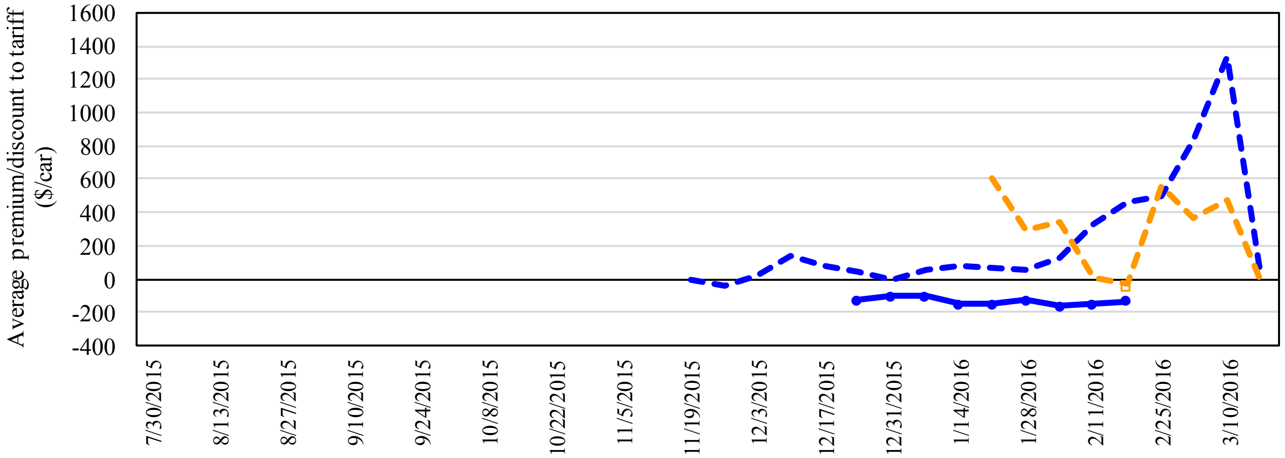
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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 March 2016, Secondary Market

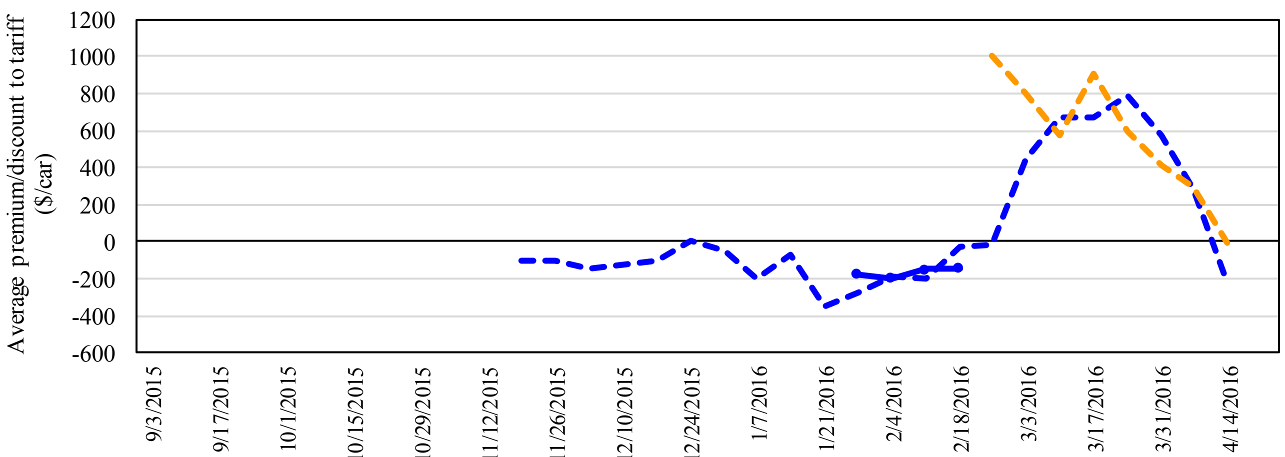


2/18/2016	BNSF	UP
Non-Shuttle	-$25	-$75
Shuttle	-$113	-$150

There were no Non-Shuttle bids/offers last week. Average Non-Shuttle bids/offers this week are at the peak.
Average Shuttle bids/offers rose $19 this week and are $32 below the peak.

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 April 2016, Secondary Market



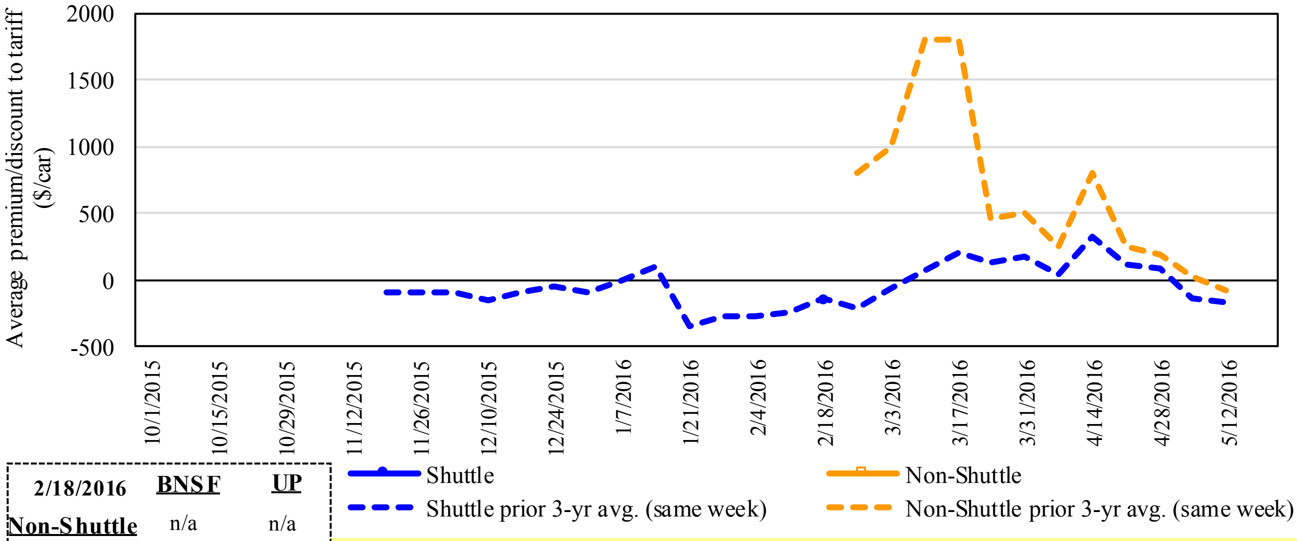
2/18/2016	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	-$146	n/a

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $4 this week and are at the peak.

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 May 2016, Secondary Market



2/18/2016	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	-$150	n/a

There were no Non-Shuttle bids/offers this week.
There were no Shuttle bids/offers last week. Average Non-Shuttle bids/offers this week are at the peak.

Non-shuttle bids include unit-train and single-car bids. n/a = not available.
Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market ($/car)[1]

	For the week ending: 2/18/2016	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
Non-shuttle	**BNSF-GF**	**(25)**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
	Change from same week 2015	n/a	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**(75)**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
	Change from same week 2015	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**(113)**	**(146)**	**(150)**	**n/a**	**n/a**	**n/a**
	Change from last week	n/a	4	n/a	n/a	n/a	n/a
	Change from same week 2015	n/a	n/a	150	n/a	n/a	n/a
	UP-Pool	**(150)**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	0	n/a	n/a	n/a	n/a	n/a
	Change from same week 2015	100	n/a	n/a	n/a	n/a	n/a

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

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 James B. Joiner Co., Tradewest Brokerage Co.

The **tariff rail rate** is the base price of freight rail service, and together with **fuel surcharges** and any **auction and secondary rail** values constitute the full cost of shipping by rail. Typically, auction and secondary rail values are a small fraction of the full cost of shipping by rail relative to the tariff rate. High auction and secondary rail values, during times of high rail demand or short supply, can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date:					**Tariff plus surcharge per:**		**Percent**
2/1/2016	**Origin region***	**Destination region***	**Tariff rate/car**	**Fuel surcharge per car**	**metric ton**	**bushel**[2]	**change Y/Y**[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,605	$25	$36.05	$0.98	3
	Grand Forks, ND	Duluth-Superior, MN	$3,563	-$12	$35.26	$0.96	-3
	Wichita, KS	Los Angeles, CA	$6,950	-$61	$68.41	$1.86	4
	Wichita, KS	New Orleans, LA	$4,243	$45	$42.58	$1.16	0
	Sioux Falls, SD	Galveston-Houston, TX	$6,486	-$50	$63.91	$1.74	5
	Northwest KS	Galveston-Houston, TX	$4,511	$49	$45.28	$1.23	0
	Amarillo, TX	Los Angeles, CA	$4,710	$68	$47.45	$1.29	-2
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,681	$50	$37.05	$0.94	4
	Toledo, OH	Raleigh, NC	$6,061	$0	$60.19	$1.53	3
	Des Moines, IA	Davenport, IA	$2,168	$11	$21.64	$0.55	-2
	Indianapolis, IN	Atlanta, GA	$5,004	$0	$49.69	$1.26	0
	Indianapolis, IN	Knoxville, TN	$4,311	$0	$42.81	$1.09	1
	Des Moines, IA	Little Rock, AR	$3,444	$31	$34.51	$0.88	0
	Des Moines, IA	Los Angeles, CA	$5,052	$91	$51.07	$1.30	-4
Soybeans	Minneapolis, MN	New Orleans, LA	$4,009	$8	$39.89	$1.09	-3
	Toledo, OH	Huntsville, AL	$5,051	$0	$50.16	$1.37	3
	Indianapolis, IN	Raleigh, NC	$6,178	$0	$61.35	$1.67	4
	Indianapolis, IN	Huntsville, AL	$4,529	$0	$44.98	$1.22	0
	Champaign-Urbana, IL	New Orleans, LA	$4,395	$50	$44.14	$1.20	5
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,953	-$35	$38.91	$1.06	1
	Wichita, KS	Galveston-Houston, TX	$3,919	-$27	$38.65	$1.05	7
	Chicago, IL	Albany, NY	$5,492	$0	$54.54	$1.48	10
	Grand Forks, ND	Portland, OR	$5,611	-$61	$55.12	$1.50	1
	Grand Forks, ND	Galveston-Houston, TX	$5,931	-$63	$58.27	$1.59	-9
	Northwest KS	Portland, OR	$5,478	$80	$55.19	$1.50	-2
Corn	Minneapolis, MN	Portland, OR	$5,000	-$74	$48.92	$1.24	-9
	Sioux Falls, SD	Tacoma, WA	$4,960	-$68	$48.58	$1.23	-9
	Champaign-Urbana, IL	New Orleans, LA	$3,481	$50	$35.07	$0.89	3
	Lincoln, NE	Galveston-Houston, TX	$3,600	-$40	$35.36	$0.90	-5
	Des Moines, IA	Amarillo, TX	$3,795	$39	$38.08	$0.97	-2
	Minneapolis, MN	Tacoma, WA	$5,000	-$73	$48.92	$1.24	-9
	Council Bluffs, IA	Stockton, CA	$4,640	-$76	$45.32	$1.15	-6
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,490	-$68	$53.85	$1.47	-8
	Minneapolis, MN	Portland, OR	$5,510	-$74	$53.98	$1.47	-9
	Fargo, ND	Tacoma, WA	$5,380	-$60	$52.83	$1.44	-8
	Council Bluffs, IA	New Orleans, LA	$4,425	$58	$44.52	$1.21	-5
	Toledo, OH	Huntsville, AL	$4,226	$0	$41.97	$1.14	4
	Grand Island, NE	Portland, OR	$5,360	$82	$54.04	$1.47	-6

[1]A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 75-120 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 111 short tons (100.7 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

*Regional economic areas defined by the Bureau of Economic Analysis (BEA)

Table 8

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

Effective date: 2/1/2016				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,459	$0	$76.21	$2.07	2
	OK	Cuautitlan, EM	$6,514	$35	$66.91	$1.82	-6
	KS	Guadalajara, JA	$6,995	$84	$72.33	$1.97	-4
	TX	Salinas Victoria, NL	$4,142	$20	$42.52	$1.16	3
Corn	IA	Guadalajara, JA	$8,397	$78	$86.59	$2.20	-4
	SD	Celaya, GJ	$7,840	$0	$80.11	$2.03	-4
	NE	Queretaro, QA	$7,879	$66	$81.18	$2.06	-2
	SD	Salinas Victoria, NL	$6,545	$0	$66.87	$1.70	5
	MO	Tlalnepantla, EM	$7,238	$64	$74.61	$1.89	-2
	SD	Torreon, CU	$7,240	$0	$73.98	$1.88	-1
Soybeans	MO	Bojay (Tula), HG	$8,652	$79	$89.21	$2.43	1
	NE	Guadalajara, JA	$9,142	$82	$94.25	$2.56	-1
	IA	El Castillo, JA	$9,470	$0	$96.76	$2.63	-2
	KS	Torreon, CU	$7,439	$58	$76.60	$2.08	0
Sorghum	NE	Celaya, GJ	$7,344	$71	$75.76	$1.92	-4
	KS	Queretaro, QA	$7,563	$44	$77.72	$1.97	6
	NE	Salinas Victoria, NL	$6,168	$35	$63.37	$1.61	6
	NE	Torreon, CU	$6,672	$56	$68.74	$1.74	-2

[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]Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009

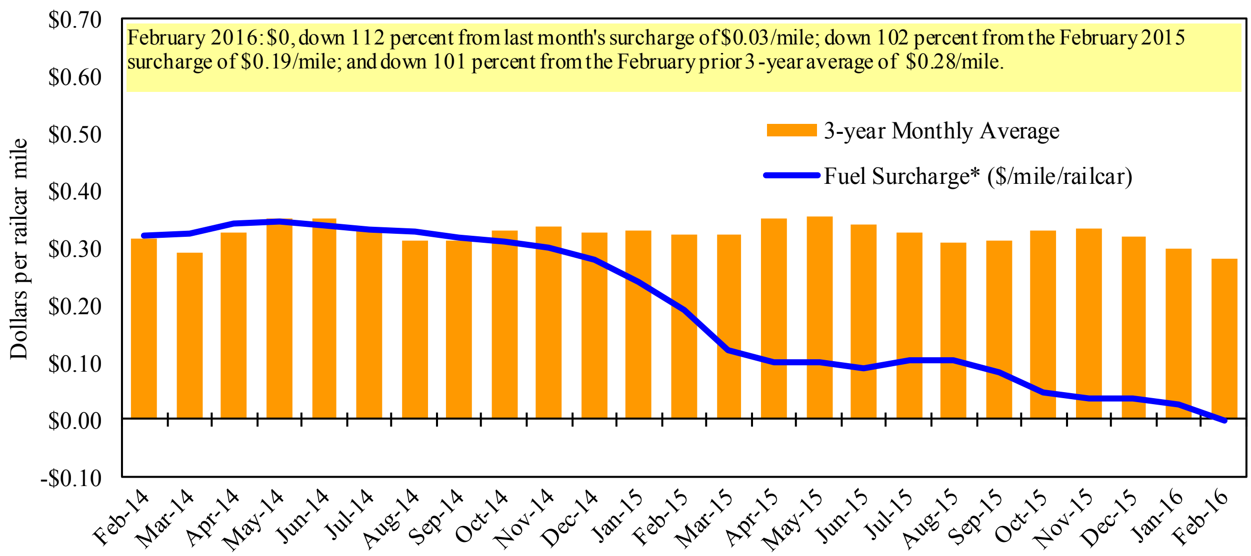
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]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.

* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

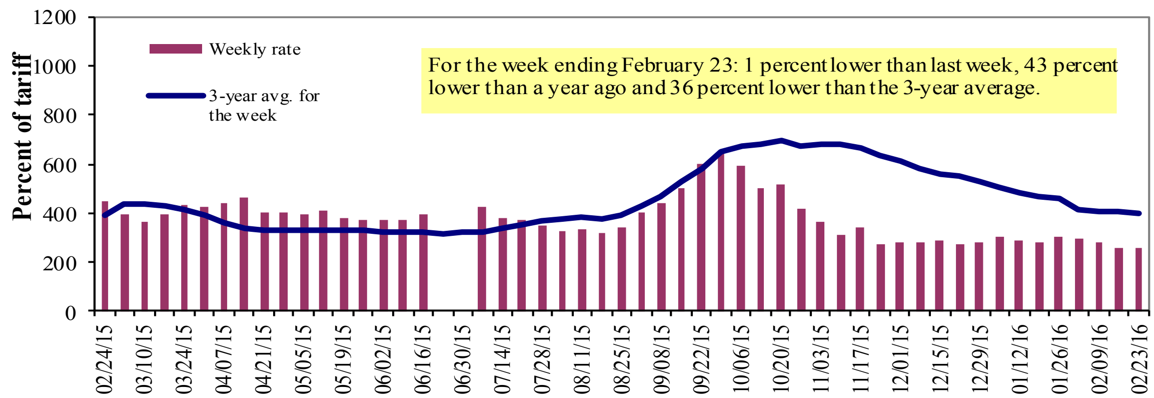
**CSX strike price changed from $2.00/gal. to $3.75/gal. starting January 1, 2015.

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	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	2/23/2016	-	-	255	173	208	208	170
	2/16/2016	-	-	258	178	205	205	165
$/ton	2/23/2016	-	-	11.83	6.90	9.76	8.40	5.34
	2/16/2016	-	-	11.97	7.10	9.61	8.28	5.18
Current week % change from the same week:								
	Last year	-	-	-43	-37	-33	-33	-20
	3-year avg. [2]	-	-	-36	-50	-39	-39	-32
Rate[1]	March	-	288	255	173	200	200	163
	May	330	270	255	170	198	198	163

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds; missing data due to winter closure or flooding
Source: Transportation & Marketing Programs/AMS/USDA

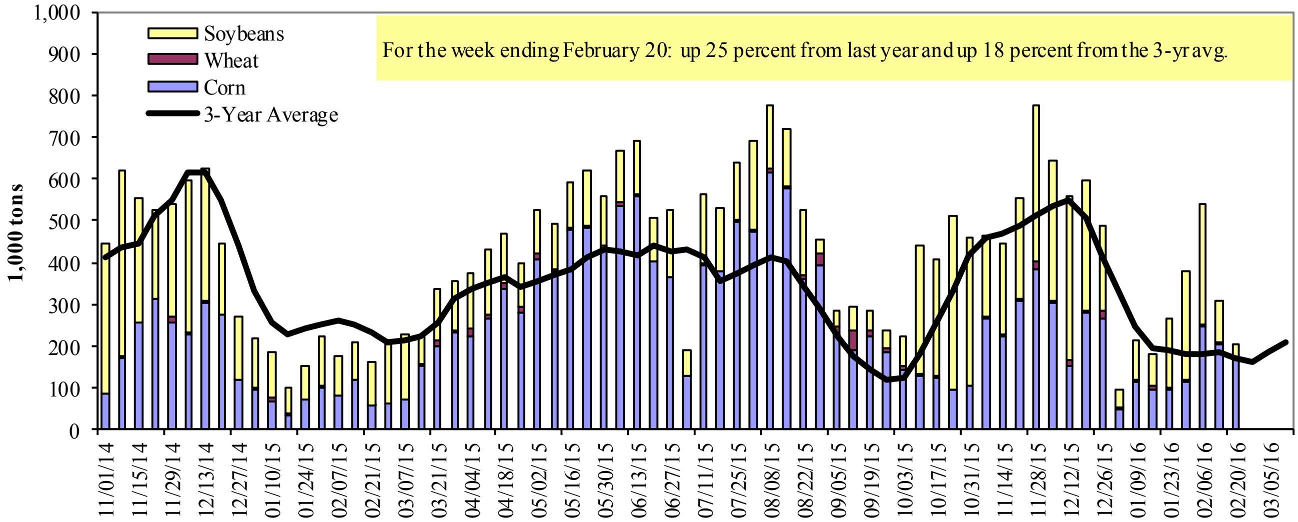
Figure 9
Benchmark tariff rates

Calculating barge rate per ton:
(Rate * 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.

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

Table 10

Barge Grain Movements (1,000 tons)

For the week ending 2/20/2016	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	8	0	0	0	8
Alton, IL (L26)	148	3	27	6	184
Granite City, IL (L27)	165	3	35	6	210
Illinois River (L8)	118	3	21	2	143
Ohio River (L52)	73	2	32	3	110
Arkansas River (L1)	0	11	43	0	54
Weekly total - 2016	239	16	110	10	374
Weekly total - 2015	262	12	232	7	512
2016 YTD[1]	2,073	119	2,248	23	4,463
2015 YTD	1,869	143	2,027	43	4,082
2016 as % of 2015 YTD	111	84	111	54	109
Last 4 weeks as % of 2015[2]	113	86	120	77	115
Total 2015	19,215	1,686	14,191	359	35,451

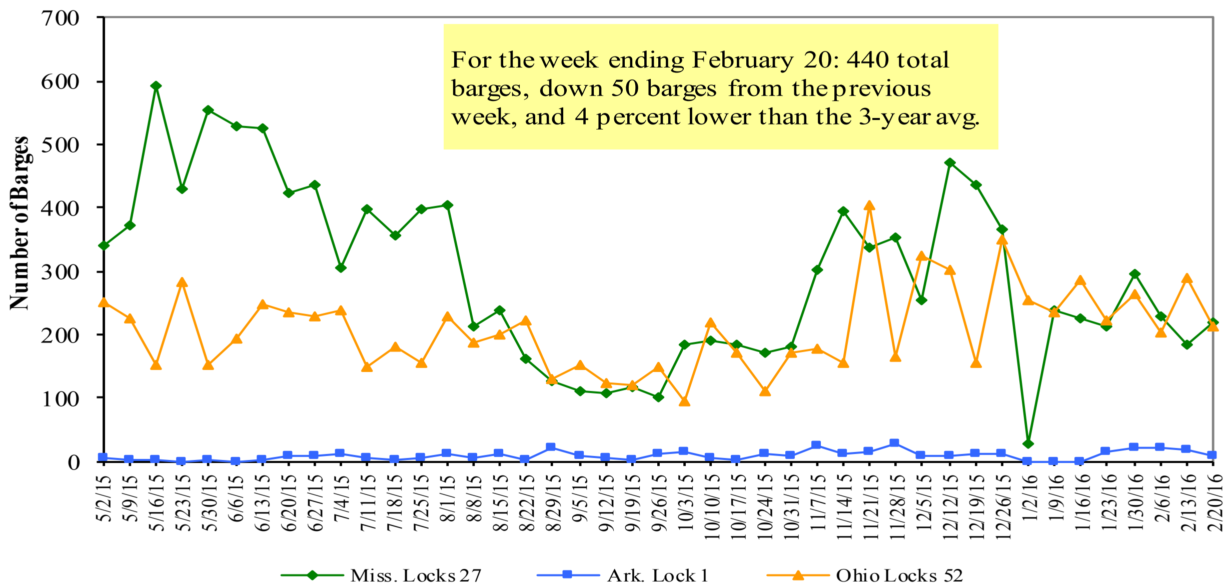
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[2] As a percent of same period in 2015.

Note: Total may not add exactly, due to rounding

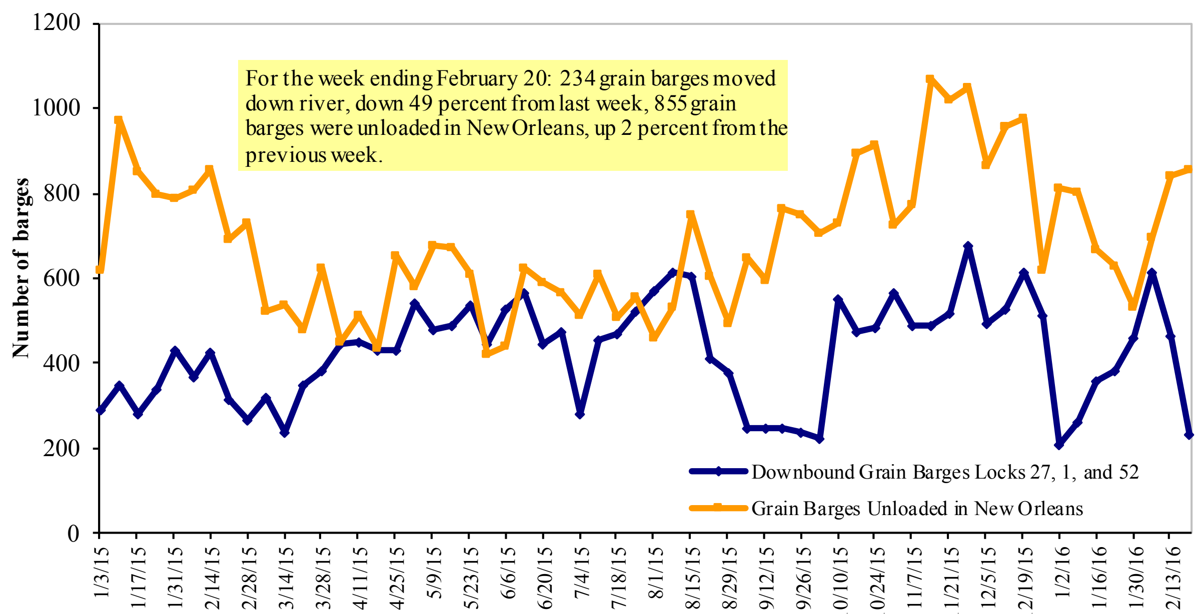
Source: U.S. Army Corps of Engineers

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 2/22/2016 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.059	-0.010	-0.946
	New England	2.160	-0.023	-1.013
	Central Atlantic	2.184	-0.013	-0.976
	Lower Atlantic	1.944	-0.003	-0.909
II	Midwest[2]	1.921	0.013	-0.905
III	Gulf Coast[3]	1.873	0.015	-0.922
IV	Rocky Mountain	1.861	-0.005	-0.901
V	West Coast	2.181	-0.013	-0.884
	West Coast less California	2.050	0.007	-0.839
	California	2.288	-0.028	-0.920
Total	U.S.	1.983	0.003	-0.917

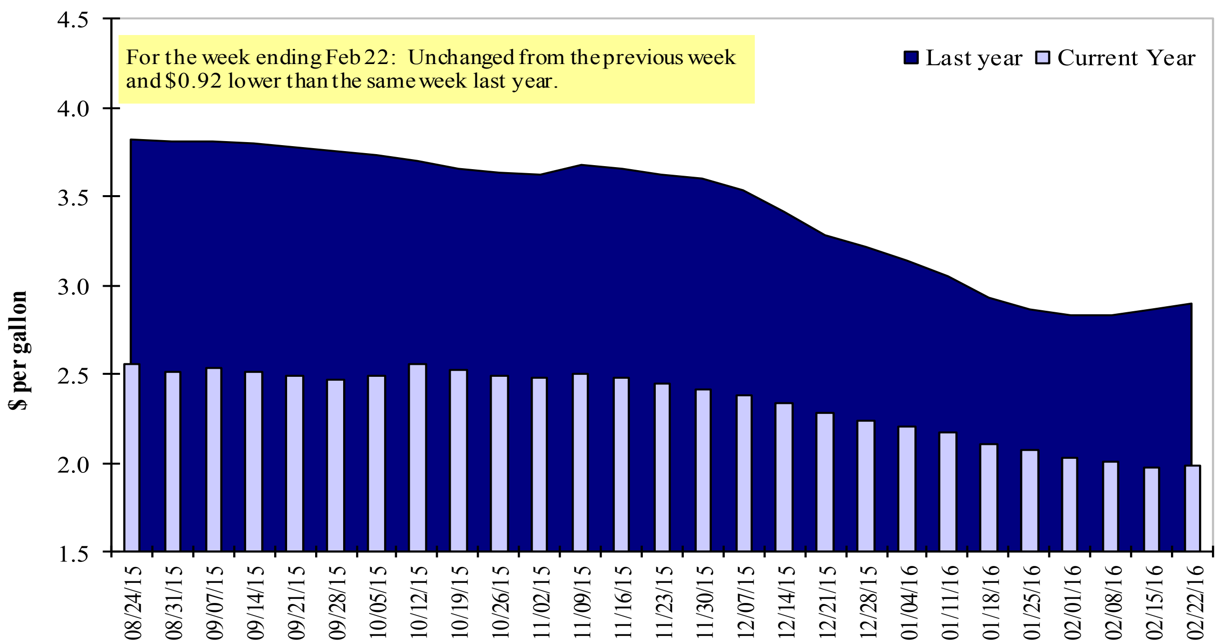
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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)

For the week ending	HRW	SRW	HRS	SWW	DUR	All wheat	Corn	Soybeans	Total
	Wheat								
Export Balances[1]									
2/11/2016	1,069	470	1,406	823	75	3,842	12,503	6,372	22,717
This week year ago	1,547	734	1,836	952	120	5,188	17,445	7,188	29,821
Cumulative exports-marketing year[2]									
2015/16 YTD	3,870	2,366	4,232	2,436	548	13,452	13,178	39,462	66,092
2014/15 YTD	4,903	2,668	5,054	2,719	479	15,823	16,639	39,500	71,962
YTD 2015/16 as % of 2014/15	79	89	84	90	114	85	79	100	92
Last 4 wks as % of same period 2014/15	74	69	79	87	70	77	70	110	82
2014/15 Total	7,009	3,654	7,250	3,758	665	22,336	45,205	49,614	117,155
2013/14 Total	11,465	7,307	6,338	4,367	486	29,963	46,868	44,478	121,309

[1] Current unshipped (outstanding) export sales to date

[2] Shipped export sales to date; new marketing year 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

For the week ending 2/11/2016	Total Commitments[2] 2015/16 Current MY	2014/15 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2011-2013
	- 1,000 mt -			- 1,000 mt -
Japan	4,157	6,907	(40)	10,079
Mexico	9,437	8,159	16	8,145
Korea	711	2,041	(65)	2,965
Colombia	2,779	2,568	8	3,461
Taiwan	567	1,011	(44)	1,238
Top 5 Importers	**17,651**	**20,685**	**(15)**	**25,887**
Total US corn export sales	**25,681**	**34,083**	**(25)**	**34,445**
% of Projected	61%	72%		
Change from prior week	**1,051**	**932**		
Top 5 importers' share of U.S. corn export sales	69%	61%		75%
USDA forecast, February 2016	**41,985**	**47,430**	**(11)**	
Corn Use for Ethanol USDA forecast, February 2016	**132,715**	**132,309**	**0**	

(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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[3]FAS Marketing Year Ranking Reports - http://apps.fas.usda.gov/export-sales/myrkaug.htm; 3-yr average

Table 14

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

For the week ending 2/11/2016	Total Commitments[2] 2015/16 Current MY	2014/15 Last MY	% change current MY from last MY	Exports[3] 3-yr avg. 2011-13
	- 1,000 mt -			- 1,000 mt -
China	26,166	29,276	(11)	24,211
Mexico	2,273	2,475	(8)	2,971
Indonesia	961	1,275	(25)	1,895
Japan	130	1,395	(91)	1,750
Taiwan	924	1,107	(16)	1,055
Top 5 importers	**30,454**	**35,528**	**(14)**	**31,882**
Total US soybean export sales	**41,751**	**46,650**	**(11)**	**39,169**
% of Projected	91%	93%		
Change from prior week	473	506		
Top 5 importers' share of U.S. soybean export sales	73%	76%		**81%**
USDA forecast, February 2016	**46,049**	**50,218**	**(8)**	

(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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

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

For the week ending 2/11/2016	Total Commitments[2] 2015/16 Current MY	2014/15 Last MY	% change current MY from last MY	Exports[3] 3-yr avg 2012-2014
	- 1,000 mt -			- 1,000 mt -
Japan	2,045	2,761	(26)	3,113
Mexico	1,937	2,410	(20)	2,807
Nigeria	1,366	1,911	(29)	2,512
Philippines	1,856	2,044	(9)	2,105
Brazil	369	1,506	(76)	2,091
Korea	1,055	1,194	(12)	1,273
Taiwan	832	904	(8)	1,007
Indonesia	426	489	(13)	751
Colombia	541	548	(1)	662
Thailand	442	604		618
Top 10 importers	**10,426**	**13,768**	(24)	**16,939**
Total US wheat export sales	**17,293**	**21,011**	**(18)**	**26,361**
% of Projected	82%	90%		
Change from prior week	254	267		
Top 10 importers' share of U.S. wheat export sales	60%	66%		64%
USDA forecast, February 2016	**21,117**	**23,270**	**(9)**	

(n) indicates negative number.

[1] Based on FAS 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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[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	For the Week Ending 02/18/16	Previous Week[1]	Current Week as % of Previous	2016 YTD*	2015 YTD*	2016 YTD as % of 2015 YTD	Last 4-weeks as % of: Last Year	Prior 3-yr. avg.	2015 Total*
Pacific Northwest									
Wheat	162	232	70	1,448	1,747	83	70	83	10,985
Corn	149	59	252	594	723	82	83	97	7,232
Soybeans	463	536	87	3,004	2,621	115	133	140	11,809
Total	**774**	**827**	**94**	**5,046**	**5,091**	**99**	**103**	**114**	**30,027**
Mississippi Gulf									
Wheat	22	93	24	394	503	78	69	54	4,504
Corn	582	502	116	3,007	3,492	86	93	123	26,701
Soybeans	971	1,120	87	5,776	6,639	87	95	109	29,593
Total	**1,576**	**1,715**	**92**	**9,178**	**10,634**	**86**	**93**	**108**	**60,797**
Texas Gulf									
Wheat	23	56	41	318	310	103	109	65	3,724
Corn	31	0	n/a	95	95	100	101	163	596
Soybeans	0	29	0	92	210	44	47	49	864
Total	**54**	**85**	**63**	**506**	**615**	**82**	**97**	**71**	**5,184**
Interior									
Wheat	16	24	64	134	154	87	61	75	1,388
Corn	121	115	105	722	734	98	99	121	6,201
Soybeans	94	82	115	596	685	87	101	93	3,518
Total	**230**	**221**	**104**	**1,451**	**1,573**	**92**	**96**	**103**	**11,106**
Great Lakes									
Wheat	0	0	n/a	0	12	0	0	0	997
Corn	0	0	n/a	0	0	n/a	n/a	n/a	485
Soybeans	0	0	n/a	0	0	n/a	n/a	0	733
Total	**0**	**0**	**n/a**	**0**	**12**	**0**	**0**	**0**	**2,216**
Atlantic									
Wheat	36	1	n/a	69	40	171	127	80	520
Corn	0	0	n/a	0	0	n/a	n/a	0	277
Soybeans	83	86	96	555	630	88	99	110	2,053
Total	**119**	**87**	**136**	**624**	**671**	**93**	**101**	**104**	**2,850**
U.S. total from ports[2]									
Wheat	258	406	64	2,363	2,765	85	74	72	22,118
Corn	882	677	130	4,419	5,043	88	92	119	41,492
Soybeans	1,612	1,852	87	10,022	10,786	93	106	115	48,570
Total	**2,753**	**2,935**	**94**	**16,804**	**18,595**	**90**	**96**	**107**	**112,180**

[1] Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

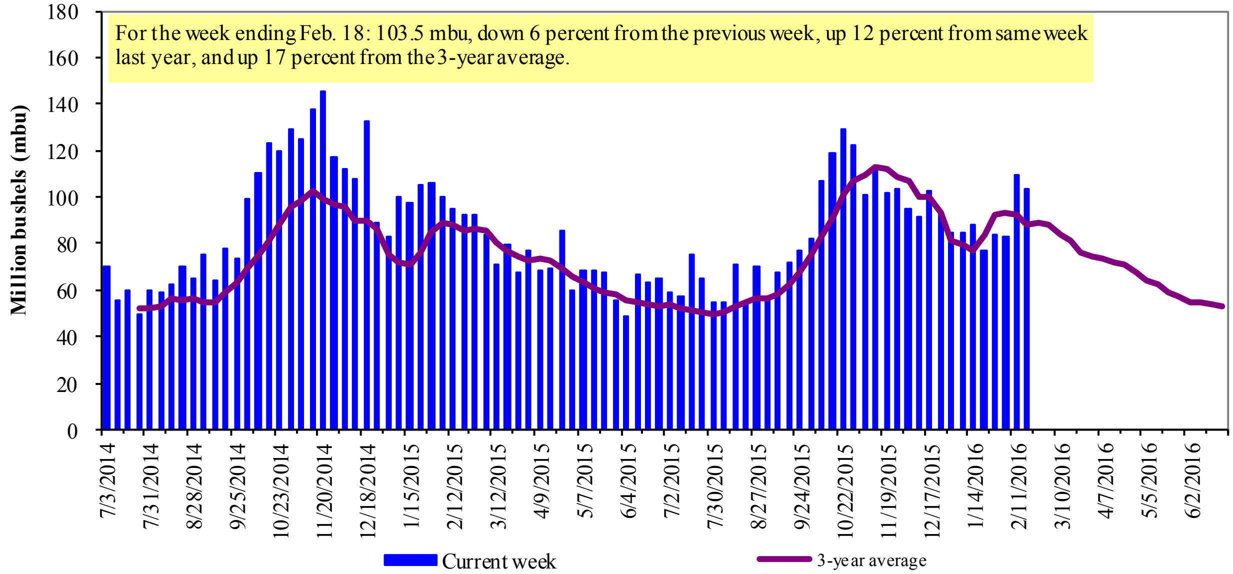
[2] Total only includes regions shown above

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 one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2015.

Figure 14

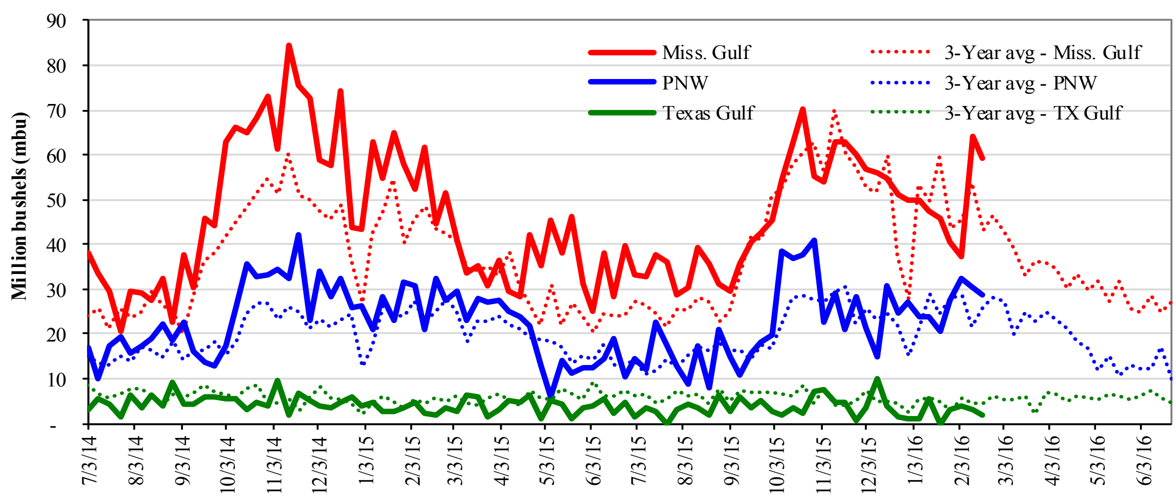
U.S. grain inspected for export (wheat, corn, and soybeans)



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 PNW[1] (wheat, corn, and soybeans)



Week ending 02/18/16 inspections (mbu):		Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Mississippi Gulf:	59.4	Last Week:	down 8	down 34	down 9	down 6
PNW:	28.8	Last Year (same week):	up 33	up 11	up 32	down 11
Texas Gulf:	2.1	3-yr avg. (4-wk. mov. Avg):	up 28	down 52	up 21	up 11

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

Ocean Transportation

Table 17

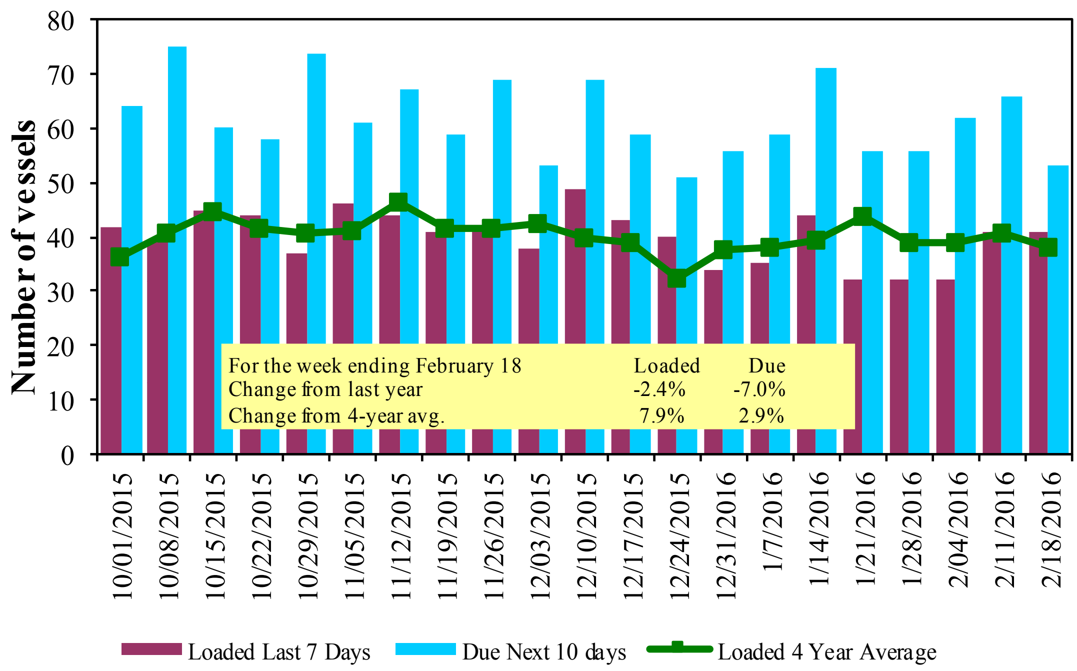
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
2/18/2016	49	41	53	19	n/a
2/11/2016	53	41	66	20	n/a
2015 range	(25..54)	(28..54)	(36..80)	(3..26)	n/a
2015 avg.	42	38	56	11	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

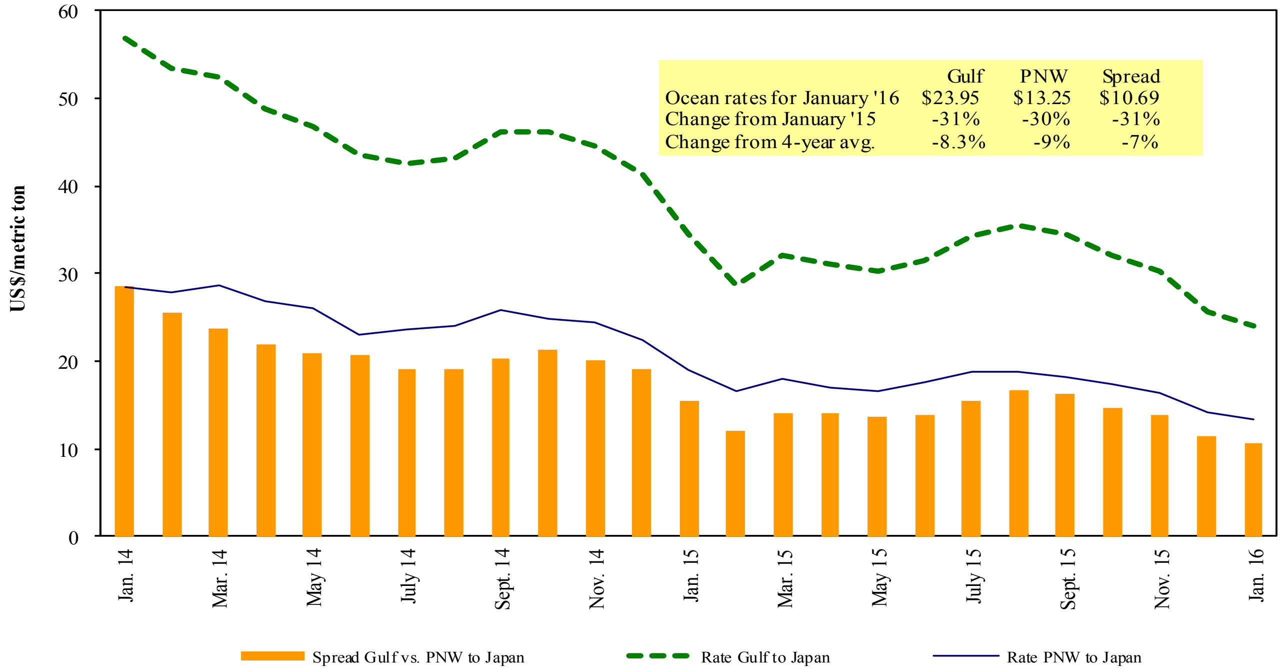


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 2/20/2016

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S.Gulf	China	Heavy Grain	Feb 15/20	53,000	20.50
U.S. Gulf	China	Grain	Feb 10/20	55,000	19.75
U.S. Gulf	China	Heavy Grain	Jan 28/Feb 7	54,000	23.10
U.S. Gulf	China	Heavy Grain	Jan 15/25	54,000	22.50
U.S Gulf	Mombasa	Sorghum[1]	Feb 24/Mar 4	16,750	161.15
PNW	Algeria	Wheat	Feb 10/20	51,500	13.15
Argentina	Vietnam	Heavy Grain	Jan 25/Feb 5	50,000	19.00
Argentina	Capetown	Corn	Jan 25/30	40,000	12.50
Brazil	China	Heavy Grain	Mar 1/10	60,000	13.25
Brazil	China	Heavy Grain	Feb 20/29	60,000	13.85 op 14.60
Brazil	China	Heavy Grain	Feb 22/25	60,000	14.00
Brazil	China	Heavy Grain	Feb 15/20	60,000	12.60
Brazil	Iran	Grain	Jan 25/Feb 5	55,000	17.90
EC S America	China	Heavy Grain	Feb/Mar 16	60,000	18.50
Odessa	Ghent	Grain	Feb 10/14	60,000	7.35
Paranagua	China	Heavy Grain	Feb 1/10	60,000	15.00
River Plate	Vietnam	Heavy Grain	Feb 23/29	68,000	17.50

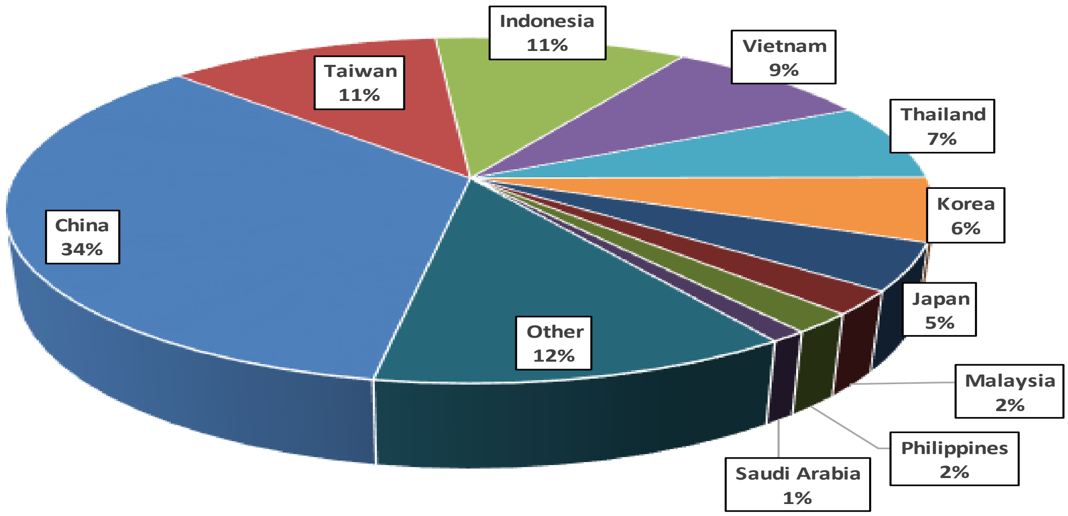
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]50 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 2014, containers were used to transport 7 percent of total U.S. waterborne grain exports. Approximately 63 percent of U.S. waterborne grain exports in 2014 went to Asia, of which 11 percent were moved in containers. Approximately 95 percent of U.S. waterborne containerized grain exports were destined for Asia.

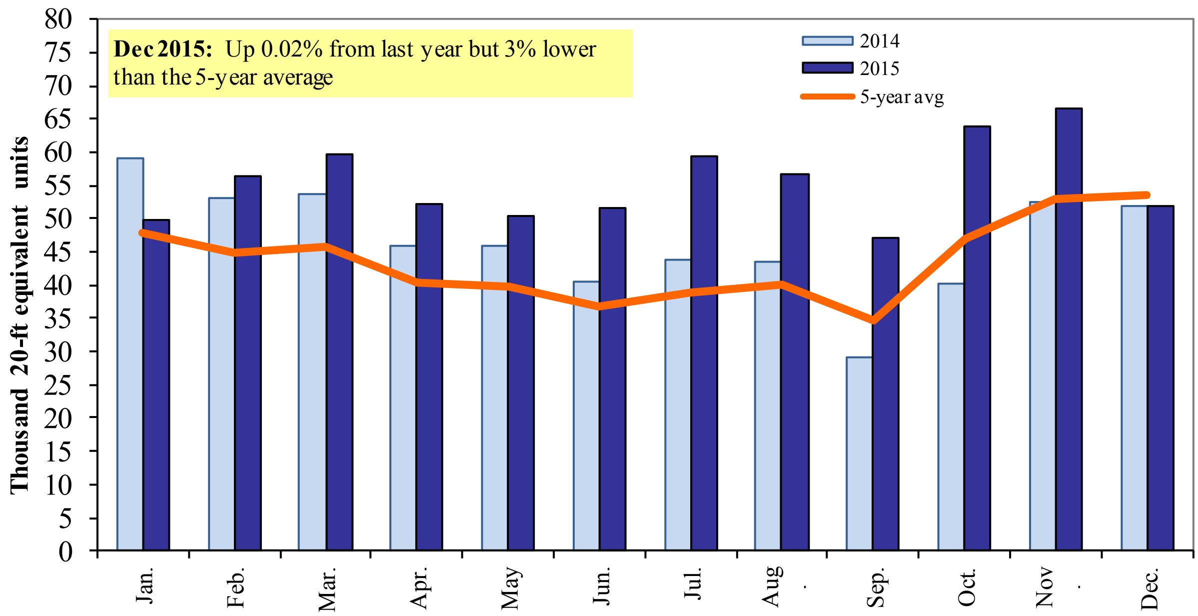
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-December 2015



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

Figure 19
Monthly Shipments of Containerized Grain to Asia



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data.

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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