United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
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May 19, 2016

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WEEKLY HIGHLIGHTS

Panama Canal Further Postponed Third Draft Restrictions and …

On May 11, the Panama Canal Authority (ACP) announced further postponement of the third draft restrictions until June 6, 2016 due to the recent and projected rainfalls for the upcoming weeks, and the current level of Gatun Lake. The restrictions which had been previously postponed until May 25 had been originally scheduled to take effect May 9 (see 04/21/16 Grain Transportation Report). The maximum authorized transit draft will remain at 11.74 meters (38.5 feet) until June 6. Starting June 6, the maximum authorized transit draft will be 11.59 meters (38.0 feet). The ACP pledged to continue montoring the level of Gatun Lake, adjust, and announce any draft restrictions in a timely manner. For more information, see https://www.pancanal.com/common/maritime/advisories/2016/a-25-2016.pdf

… Scheduled Lock Maintenance, Reduces Transit Capacity

The East Lane of the Miraflores Locks on the Panama Canal will be closed for maintenance and repair work May 24-27, 2016, for 4 days. The estimated transit capacity of the Canal due to the maintenance work is 22–24 vessels per day, rather than the normal transit capacity of 35–37 vessels, depending on vessel mix and other factors. At this time, no major delays are anticipated.

Grain Inspections Down but Soybeans Increase

For the week ending May 12, **total inspections of grain** (corn, wheat, soybeans) reached 1.68 million metric tons (mmt), down 7 percent from the past week, down 6 percent from last year, and up 4 percent from the 3-year average. Despite the drop in total grain inspections, soybean inspections increased 33 percent from the past week as shipments to Latin America rebounded. Inspections of wheat and corn, however, were down 26 and 3 percent from the previous week. Total Mississippi Gulf grain inspections dropped 17 percent from the previous week. Pacific Northwest (PNW) grain inspections decreased 6 percent. Outstanding (unshipped) export sales were down for corn, wheat, and soybeans.

Snapshots by Sector

Export Sales

During the week ending May 5, **unshipped balances** of wheat, corn, and soybeans totaled 19.6 mmt, up 7 percent from the same time last year. Net weekly **wheat export sales**, were .295 mmt, up 65 percent from the previous week. Net **corn export sales** were 1.11 mmt, up 44 percent from the previous week, and net **soybean export sales** were .212 mmt, down 74 percent from the past week.

Rail

U.S. Class I railroads originated 18,004 **grain carloads** for the week ending May 7, down 10 percent from the previous week, unchanged from last year, and down 4 percent from the 3-year average.

Average May shuttle **secondary railcar bids/offers** per car were $188 below tariff for the week ending May 12, down $9 from last week, and $50 higher than last year. Average non-shuttle secondary railcar bids/offers per car were $150 below tariff, unchanged from last year. There were no non-shuttle secondary railcar bids/offers last week.

Barge

For the week ending May 14, **barge grain movements** totaled 840,868 tons, 16 percent lower than last week, and up 9 percent from the same period last year.

For the week ending May 14, 540 grain barges **moved down river**, down 11 percent from last week; 617 grain barges were **unloaded in New Orleans**, down 3 percent from the previous week.

Ocean

For the week ending May 12, 34 **ocean-going grain vessels** were loaded in the Gulf, 15 percent less than the same period last year. Forty vessels are expected to be loaded within the next 10 days, 18 percent less than the same period last year.

For the week ending May 12, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $25.50 per metric ton, up 2 percent from the previous week. The cost of shipping from the PNW to Japan was $15.50 per metric ton, up 3 percent from the previous week.

Fuel

During the week ending May 16, U.S. average **diesel fuel prices** increased three cents from the previous week at $2.30 per gallon, down $0.61 from the same week last year.

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Web: **http://dx.doi.org/10.9752/TS056.05-19-2016**

Feature Article/Calendar

Wheat Transportation Costs Continue to Fall During First Quarter

First quarter 2016 transportation costs for shipping wheat from Kansas and North Dakota to Japan continued to fall from the previous quarter. Lower ocean rates caused a major portion of the decrease in total transportation costs from quarter to quarter. First quarter rail and truck rates were down as well but not as much as ocean rates. Year-to-year transportation costs for shipping wheat from each State through the Pacific Northwest (PNW) and Gulf decreased primarily due to lower truck and ocean rates for each route (see tables 1 and 2). Lower farm values and transportation costs caused lower first quarter total landed costs.

Quarter-to-quarter transportation costs for shipping wheat through the PNW to Japan decreased 3 percent from Kansas and 4 percent from North Dakota (see table 1). Transportation costs to ship through the Gulf decreased 9 percent for Kansas and 11 percent for North Dakota (see table 2). Truck rates were down only 2 percent quarter to quarter but down 32 percent from last year. Year-to-year transportation costs for shipping wheat to Japan through the PNW were down 11 percent from Kansas and 9 percent from North Dakota; and down 12 percent from Kansas and 17 percent from North Dakota through the Gulf for the same period (see tables 1 and 2*)*.

Table 1: Quarterly rate comparisons for shipping Kansas & North Dakota wheat to Japan through the PNW

	Kansas*					North Dakota				
Mode	2015 1st qtr	2015 4th qtr	2016 1st qtr	Year-to-Year change	Quarterly change	2015 1st qtr	2015 4th qtr	2016 1st qtr	Year-to-Year change	Quarterly change
	$/metric ton			%	%	$/metric ton			%	%
Truck	12.03	8.38	8.18	-32.00	-2.39	12.03	8.38	8.18	-32.00	-2.39
Rail[1]	56.26	54.93	55.09	-2.08	0.29	54.50	55.97	55.42	1.69	-0.98
Ocean vessel	17.83	15.97	13.30	-25.41	-16.72	17.83	15.97	13.30	-25.41	-16.72
Transportation Costs	86.12	79.28	76.57	-11.09	-3.42	84.36	80.32	76.90	-8.84	-4.26
Farm Value[2]	202.46	156.65	151.63	-25.11	-3.20	213.11	180.53	173.68	-18.50	-3.79
Total Landed Cost	288.58	235.93	228.20	-20.92	-3.28	297.47	260.85	250.58	-15.76	-3.94
Transport % of landed cost	29.84	33.60	33.55			28.36	30.79	30.69		

Table 2: Quarterly rate comparisons for shipping KS & ND wheat to Japan through the Gulf

	Kansas					North Dakota				
Mode	2015 1st qtr	2015 4th qtr	2016 1st qtr	Year-to-Year change	Quarterly change	2015 1st qtr	2015 4th qtr	2016 1st qtr	Year-to-Year change	Quarterly change
	$/metric ton			%	%	$/metric ton			%	%
Truck	12.03	8.38	8.18	-32.00	-2.39	12.03	8.38	8.18	-32.00	-2.39
Rail[1]	35.94	38.99	38.49	7.10	-1.28	63.82	63.14	58.27	-8.70	-7.71
Ocean vessel	31.71	29.31	23.22	-26.77	-20.78	31.71	29.31	23.22	-26.77	-20.78
Transportation Costs	79.68	76.68	69.89	-12.29	-8.85	107.56	100.83	89.67	-16.63	-11.07
Farm Value[2]	202.46	156.65	151.63	-25.11	-3.20	213.11	180.53	173.68	-18.50	-3.79
Total Landed Cost	282.14	233.33	221.52	-21.49	-5.06	320.67	281.36	263.35	-17.88	-6.40
Transport % of landed cost	28.24	32.86	31.55			33.54	35.84	34.05		

Source: USDA/AMS/TMP

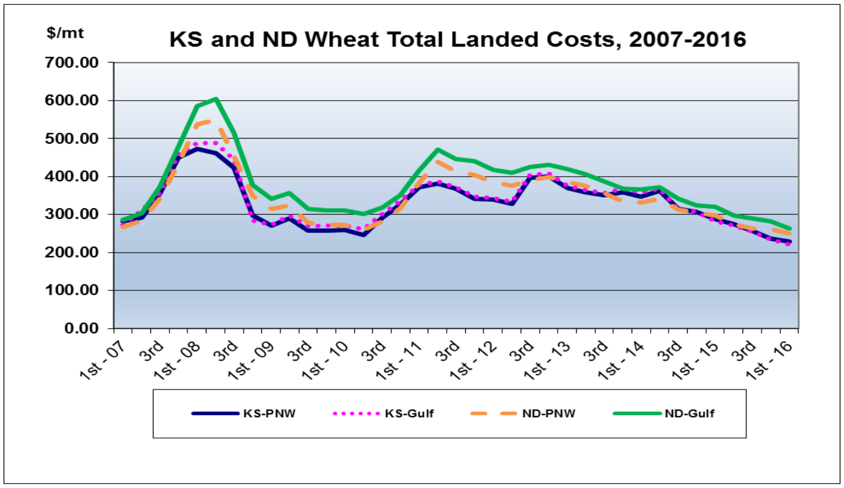
[1] Rail tariff rates include fuel surcharges and revisions for heavy axle railcars and shuttle trains. The rail tariff rate is a base price of rail freight rates, but during periods of high rail demand or car shortages, high auction and secondary market rates could exceed the base rail tariffs per car

[2] Source: USDA/NASS, wheat prices for North Dakota (mainly HRS) and Kansas (mainly HRW)

*, Rail rates for Kansas for 4th quarter 2015 include revisions.

Quarter-to-quarter ocean freight rates for shipping wheat to Japan decreased 17 percent in the PNW and 21 percent in the Gulf during the first quarter (see tables 1 and 2). Ocean rates continued to fall due to excess vessel supply, lower demand for grain, and the global economic slowdown (*see* ***GTR dated 4/14/16***). Compared to last year, ocean rates for shipping wheat to Japan decreased 25 percent through the PNW and 27 percent through the Gulf.

Quarter-to-quarter rail tariff rates for shipping wheat to the PNW from Kansas were unchanged but were down slightly (1 percent) from North Dakota (see table 1). Year-to-year rail rates, however, from Kansas to the PNW decreased 2 percent, but rates increased 2 percent from North Dakota. Quarter-to-quarter rail rates for shipping wheat from Kansas and North Dakota to the Gulf decreased 1 and 8 percent, respectively (see table 2). Year-to-year rail rates to the Gulf increased 7 percent from Kansas, but decreased 9 percent from North Dakota.



First quarter 2016 total landed costs for shipping wheat from each State continued to fall from last quarter and a year ago (see figure; tables 1 and 2). Total landed costs for each route also remained under $300 per metric ton (mt). Lower total transportation costs and farm values caused the landed costs to fall in each State. Year-to-year landed costs decreased mainly due to lower trucking and ocean rates. The total landed costs for shipping wheat ranged from $222 to $263 per mt (tables 1 and 2). First quarter transportation costs represented 31 and 34 percent of the total landed costs through the PNW—down from the previous quarter for each State, but above last year. Transportation cost represented 32 and 34 percent of the total landed costs for shipping wheat through the Gulf during the first quarter, which was also below the previous quarter but above last year for each State (tables 1 and 2).

According to the Grain Inspection, Packers and Stockyards Administration, first quarter 2016 inspections of wheat for export to Japan totaled .699 million metric tons (mmt), down 22 percent from last year, but 30 percent above the fourth quarter 2015. Although stocks of wheat are large, shipments to Japan during the first quarter decreased due to a sizeable increase in their wheat production. Total first quarter wheat exports to Japan accounted for about 14 percent of total U.S. wheat exports, which reached 4.9 mmt. Total first quarter wheat exports decreased 4 percent from last year but increased 14 percent from the fourth quarter of 2015. According to USDA's *World Agricultural Supply and Demand Estimates* April forecast, 2015/16 U.S. wheat exports are expected to reach 21.1 mmt, down 9 percent from last year.
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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
For the week ending		Unit Train	Shuttle		Gulf	Pacific
05/18/16	154	247	192	143	114	110
05/11/16	152	255	193	144	112	106

[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	5/13/2016	5/6/2016
Corn	IL--Gulf	-0.59	-0.61
Corn	NE--Gulf	-0.84	-0.88
Soybean	IA--Gulf	-0.99	-0.99
HRW	KS--Gulf	-1.11	-1.04
HRS	ND--Portland	-1.73	-1.77

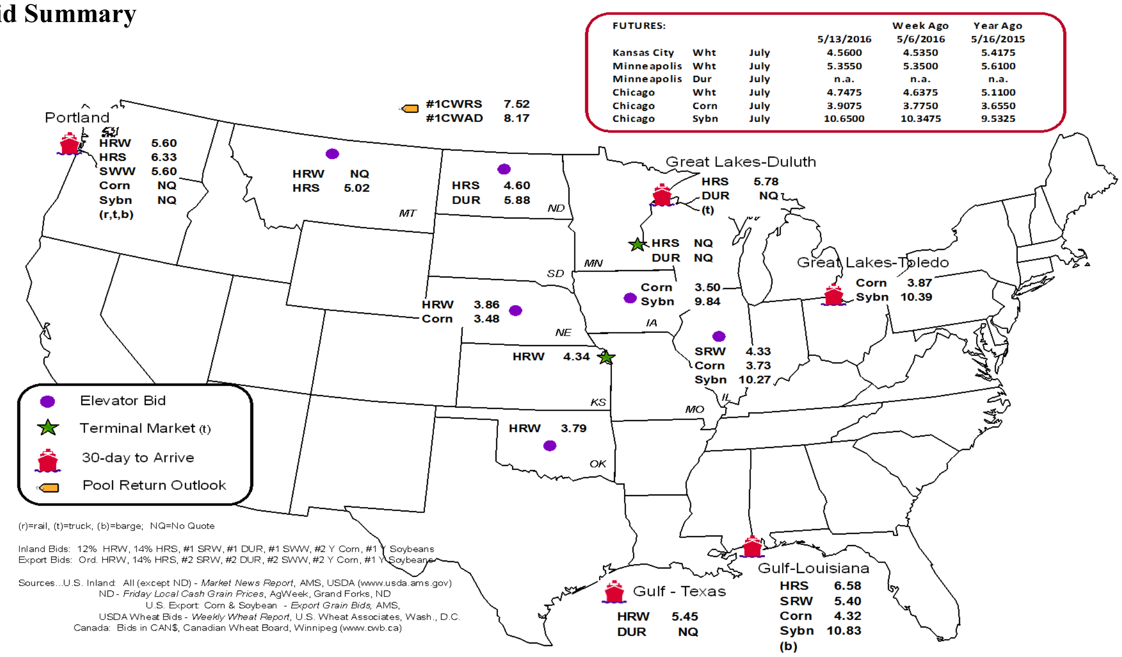
Note: nq = no quote

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 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]
5/11/2016[p]	25	864	3,253	168	4,310	5/7/2016	1,496
5/04/2016[r]	224	1,205	3,573	92	5,094	4/30/2016	2,023
2016 YTD[r]	5,759	28,022	99,204	8,837	141,822	2016 YTD	37,470
2015 YTD[r]	10,343	27,756	94,890	11,642	144,631	2015 YTD	32,098
2016 YTD as % of 2015 YTD	56	101	105	76	98	% change YTD	117
Last 4 weeks as % of 2015[2]	58	69	142	57	106	Last 4wks % 2015	111
Last 4 weeks as % of 4-year avg.[2]	63	86	120	56	97	Last 4wks % 4 yr	111
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.

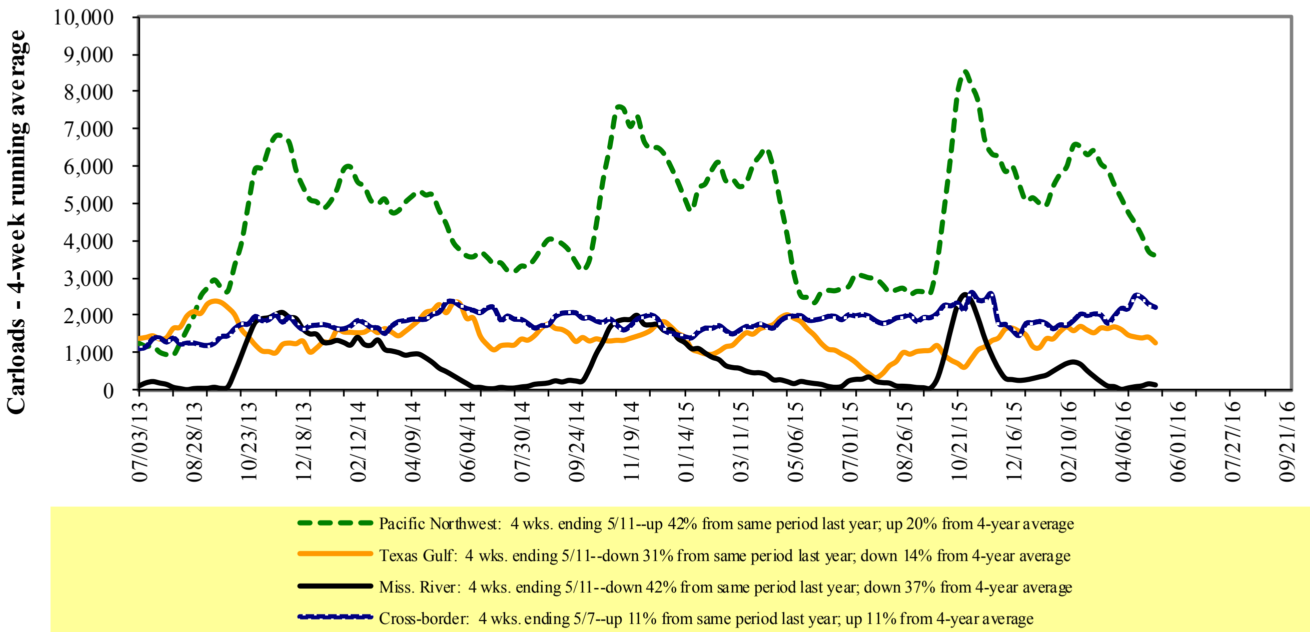
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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:	East		West			U.S. total	Canada	
5/7/2016	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,761	2,295	7,841	830	5,277	18,004	3,049	4,036
This week last year	2,561	3,004	7,076	857	4,461	17,959	4,851	3,707
2016 YTD	33,764	49,170	186,096	15,904	94,645	379,579	61,293	80,186
2015 YTD	37,905	55,138	187,756	15,232	96,028	392,059	75,206	77,322
2016 YTD as % of 2015 YTD	89	89	99	104	99	97	82	104
Last 4 weeks as % of 2015*	89	86	106	124	114	104	73	90
Last 4 weeks as % of 3-yr avg.**	106	92	100	128	110	103	75	73
Total 2015	104,039	149,043	536,173	45,445	267,720	1,102,420	211,868	236,263

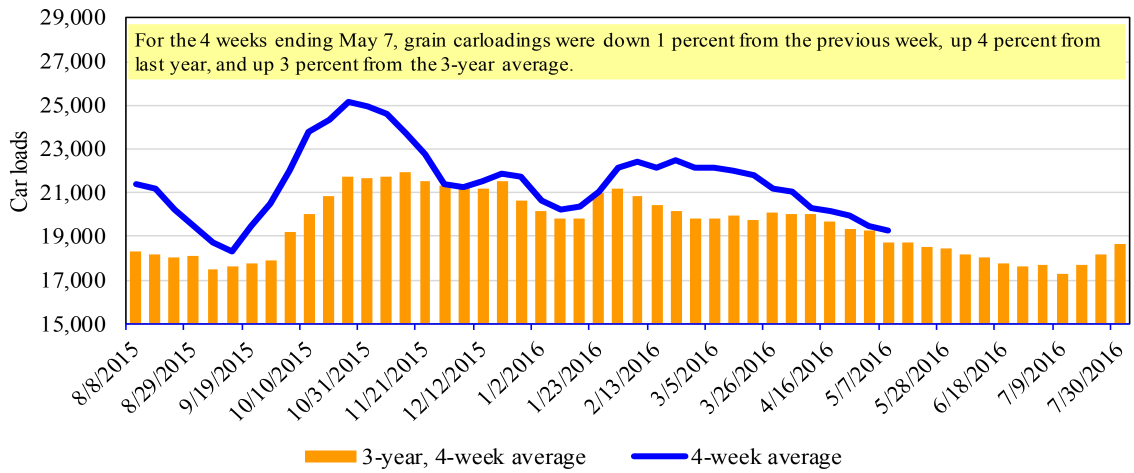
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**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: 5/12/2016		May-16	May-15	Jun-16	Jun-15	Jul-16	Jul-15	Aug-16	Aug-15
		Delivery period							
BNSF[3]	COT grain units	no bids	no offer	no bids	no bids	no bids	no bids	0	35
	COT grain single-car[5]	0 . . 3	no offer	0 . . 2	0	0	0	0	6 . . 41
UP[4]	GCAS/Region 1	no bids	no offer	no bids	no bids	no bids	no bids	n/a	n/a
	GCAS/Region 2	no bids	no offer	no bids	no bids	no bids	no bids	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.

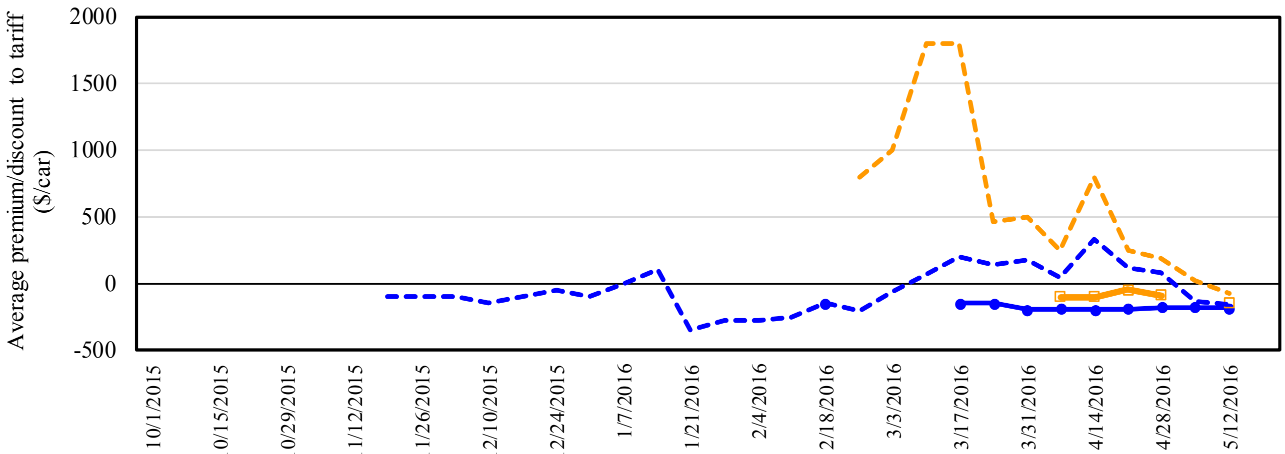
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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 May 2016, Secondary Market



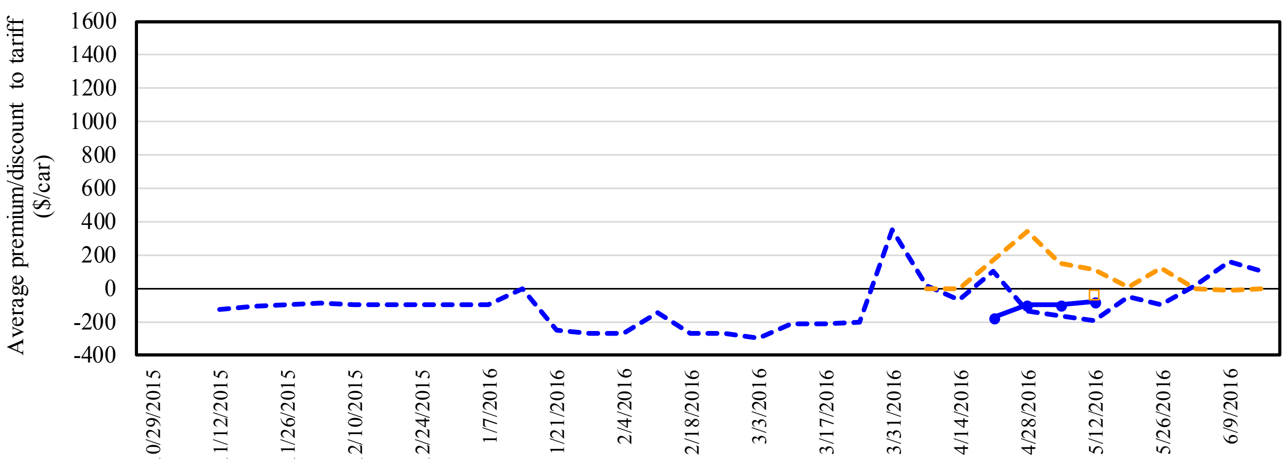
Shuttle | Non-Shuttle | Shuttle prior 3-yr avg. (same week) | Non-Shuttle prior 3-yr avg. (same week)

5/12/2016	BNSF	UP
Non-Shuttle	n/a	-$150
Shuttle	-$225	-$150

There were no Non-Shuttle bids/offers last week. Average Non-Shuttle bids/offers this week are $100 below the peak. Average Shuttle bids/offers fell $9 this week and are $38 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 June 2016, Secondary Market



Shuttle | Non-Shuttle | Shuttle prior 3-yr avg. (same week) | Non-Shuttle prior 3-yr avg. (same week)

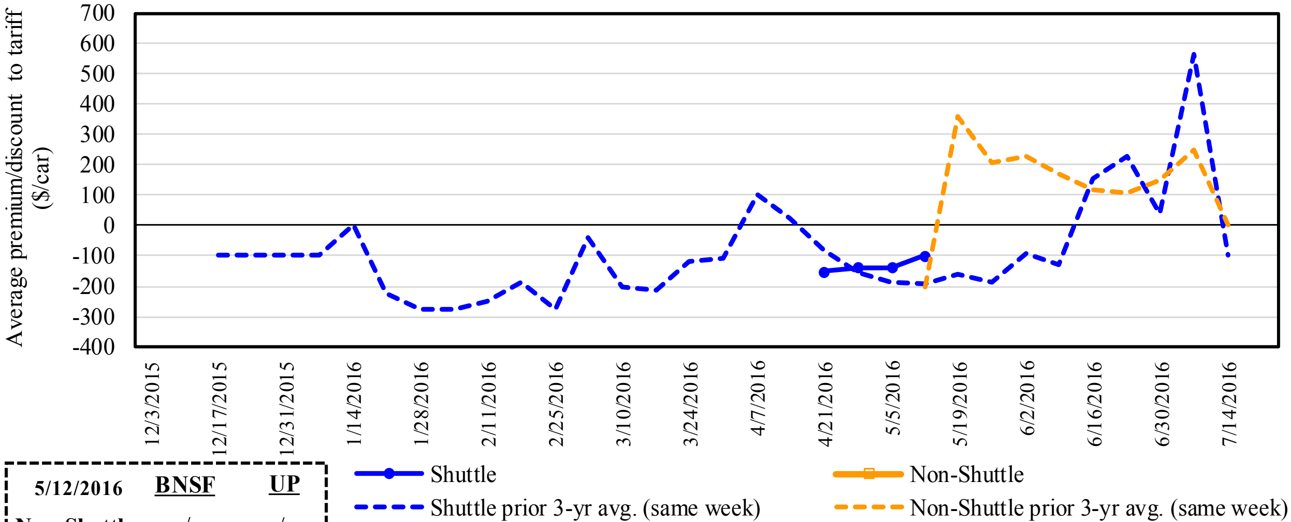
5/12/2016	BNSF	UP
Non-Shuttle	-$30	-$50
Shuttle	n/a	-$83

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 $17 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 July 2016, Secondary Market



5/12/2016	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	-$100

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $38 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

Table 6

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

For the week ending: 5/12/2016		Delivery period					
		May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
Non-shuttle	**BNSF-GF**	**n/a**	**(30)**	**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	70	n/a	n/a	n/a	n/a
	UP-Pool	**(150)**	**(50)**	**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	0	125	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**(225)**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	(37)	n/a	n/a	n/a	n/a	n/a
	Change from same week 2015	0	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**(150)**	**(83)**	**(100)**	**(100)**	**n/a**	**n/a**
	Change from last week	19	67	38	0	n/a	n/a
	Change from same week 2015	100	170	92	100	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: 5/1/2016	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							
Wheat	Wichita, KS	St. Louis, MO	$3,605	$0	$35.80	$0.97	4
	Grand Forks, ND	Duluth-Superior, MN	$3,463	-$30	$34.09	$0.93	-18
	Wichita, KS	Los Angeles, CA	$6,950	-$153	$67.50	$1.84	-4
	Wichita, KS	New Orleans, LA	$4,243	$0	$42.14	$1.15	2
	Sioux Falls, SD	Galveston-Houston, TX	$6,486	-$126	$63.16	$1.72	-4
	Northwest KS	Galveston-Houston, TX	$4,511	$0	$44.80	$1.22	1
	Amarillo, TX	Los Angeles, CA	$4,710	$0	$46.77	$1.27	0
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,681	$0	$36.55	$0.93	6
	Toledo, OH	Raleigh, NC	$6,061	$0	$60.19	$1.53	9
	Des Moines, IA	Davenport, IA	$2,168	$0	$21.53	$0.55	-2
	Indianapolis, IN	Atlanta, GA	$5,004	$0	$49.69	$1.26	5
	Indianapolis, IN	Knoxville, TN	$4,311	$0	$42.81	$1.09	5
	Des Moines, IA	Little Rock, AR	$3,444	$0	$34.20	$0.87	1
	Des Moines, IA	Los Angeles, CA	$5,052	$0	$50.17	$1.27	-2
Soybeans	Minneapolis, MN	New Orleans, LA	$3,699	$0	$36.73	$1.00	-4
	Toledo, OH	Huntsville, AL	$5,051	$0	$50.16	$1.37	8
	Indianapolis, IN	Raleigh, NC	$6,178	$0	$61.35	$1.67	10
	Indianapolis, IN	Huntsville, AL	$4,529	$0	$44.98	$1.22	4
	Champaign-Urbana, IL	New Orleans, LA	$4,395	$0	$43.64	$1.19	6
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,853	-$88	$37.39	$1.02	-7
	Wichita, KS	Galveston-Houston, TX	$3,871	-$69	$37.76	$1.03	-5
	Chicago, IL	Albany, NY	$5,492	$0	$54.54	$1.48	16
	Grand Forks, ND	Portland, OR	$5,511	-$152	$53.22	$1.45	-7
	Grand Forks, ND	Galveston-Houston, TX	$5,831	-$158	$56.33	$1.53	-15
	Northwest KS	Portland, OR	$5,478	$0	$54.40	$1.48	-1
Corn	Minneapolis, MN	Portland, OR	$5,000	-$185	$47.81	$1.21	-10
	Sioux Falls, SD	Tacoma, WA	$4,960	-$170	$47.57	$1.21	-10
	Champaign-Urbana, IL	New Orleans, LA	$3,481	$0	$34.57	$0.88	5
	Lincoln, NE	Galveston-Houston, TX	$3,600	-$99	$34.77	$0.88	-6
	Des Moines, IA	Amarillo, TX	$3,795	$0	$37.69	$0.96	-1
	Minneapolis, MN	Tacoma, WA	$5,000	-$184	$47.83	$1.21	-10
	Council Bluffs, IA	Stockton, CA	$4,640	-$190	$44.19	$1.12	-7
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,490	-$170	$52.84	$1.44	-9
	Minneapolis, MN	Portland, OR	$5,510	-$185	$52.88	$1.44	-10
	Fargo, ND	Tacoma, WA	$5,380	-$151	$51.93	$1.41	-9
	Council Bluffs, IA	New Orleans, LA	$4,425	$0	$43.94	$1.20	-4
	Toledo, OH	Huntsville, AL	$4,226	$0	$41.97	$1.14	10
	Grand Island, NE	Portland, OR	$5,360	$0	$53.23	$1.45	-5

[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: 5/1/2016				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change[4]
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y
Wheat	MT	Chihuahua, CI	$7,459	$0	$76.21	$2.07	-4
	OK	Cuautitlan, EM	$6,514	$0	$66.55	$1.81	-4
	KS	Guadalajara, JA	$6,995	$70	$72.19	$1.96	-3
	TX	Salinas Victoria, NL	$4,142	$0	$42.32	$1.15	1
Corn	IA	Guadalajara, JA	$8,397	$49	$86.30	$2.19	-3
	SD	Celaya, GJ	$7,840	$0	$80.11	$2.03	-2
	NE	Queretaro, QA	$7,879	$0	$80.50	$2.04	0
	SD	Salinas Victoria, NL	$6,545	$0	$66.87	$1.70	6
	MO	Tlalnepantla, EM	$7,238	$0	$73.96	$1.88	0
	SD	Torreon, CU	$7,240	$0	$73.98	$1.88	0
Soybeans	MO	Bojay (Tula), HG	$8,652	$54	$88.95	$2.42	1
	NE	Guadalajara, JA	$9,142	$52	$93.93	$2.55	0
	IA	El Castillo, JA	$9,470	$0	$96.76	$2.63	0
	KS	Torreon, CU	$7,439	$30	$76.31	$2.07	1
Sorghum	NE	Celaya, GJ	$7,344	$41	$75.45	$1.91	-3
	KS	Queretaro, QA	$7,563	$0	$77.27	$1.96	1
	NE	Salinas Victoria, NL	$6,168	$0	$63.02	$1.60	2
	NE	Torreon, CU	$6,672	$25	$68.42	$1.74	-3

[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

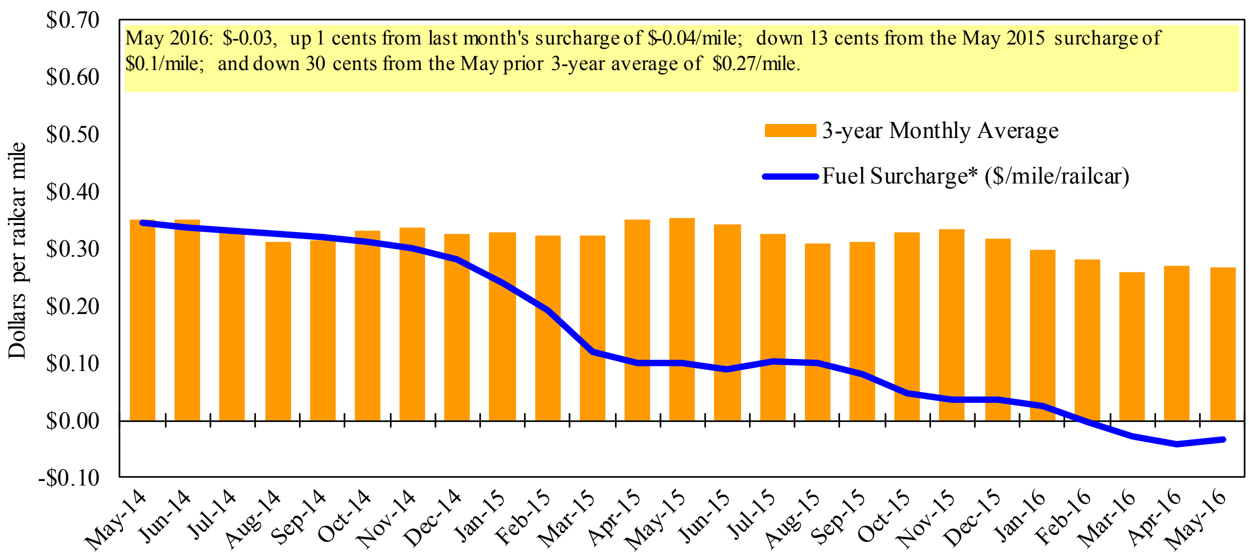
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]Percentage change 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.

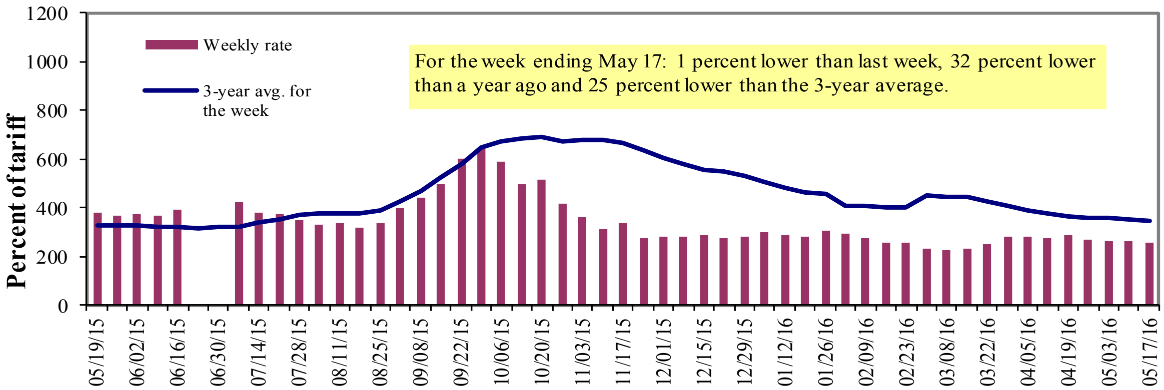
**CSX strike price changed from $2.00/gal. to $3.75/gal. starting January 1, 2015.

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]	5/17/2016	332	275	258	182	177	177	177
	5/10/2016	333	280	260	195	185	185	180
$/ton	5/17/2016	20.55	14.63	11.97	7.26	8.30	7.15	5.56
	5/10/2016	20.61	14.90	12.06	7.78	8.68	7.47	5.65
Current week % change from the same week:								
	Last year	-25	-29	-32	-29	-26	-26	-21
	3-year avg. [2]	-20	-22	-25	-26	-25	-25	-16
Rate[1]	June	338	282	267	193	190	190	192
	August	357	323	318	300	325	325	278

[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

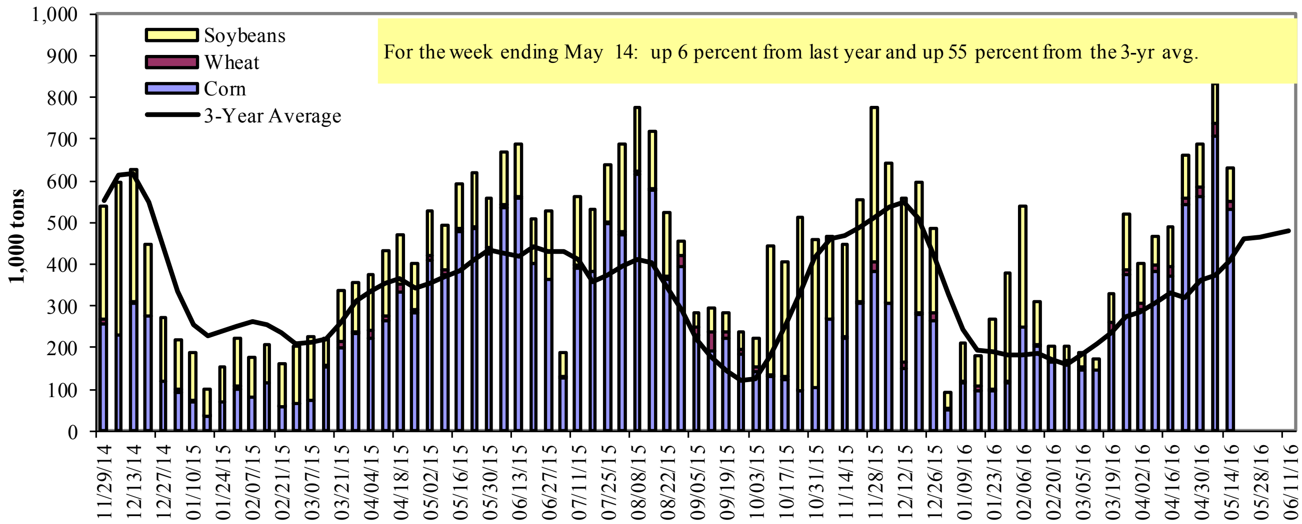
Figure 9
Benchmark tariff rates

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 5/14/2016	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	306	8	72	0	386
Winfield, MO (L25)	323	5	63	6	397
Alton, IL (L26)	574	17	77	11	679
Granite City, IL (L27)	533	19	78	11	641
Illinois River (L8)	197	10	6	2	214
Ohio River (L52)	95	4	26	20	144
Arkansas River (L1)	0	36	20	0	56
Weekly total - 2016	627	59	124	31	841
Weekly total - 2015	617	6	144	2	770
2016 YTD[1]	7,909	639	3,989	100	12,636
2015 YTD	6,856	541	4,255	88	11,741
2016 as % of 2015 YTD	115	118	94	113	108
Last 4 weeks as % of 2015[2]	124	136	82	287	116
Total 2015	19,215	1,686	14,191	359	35,451

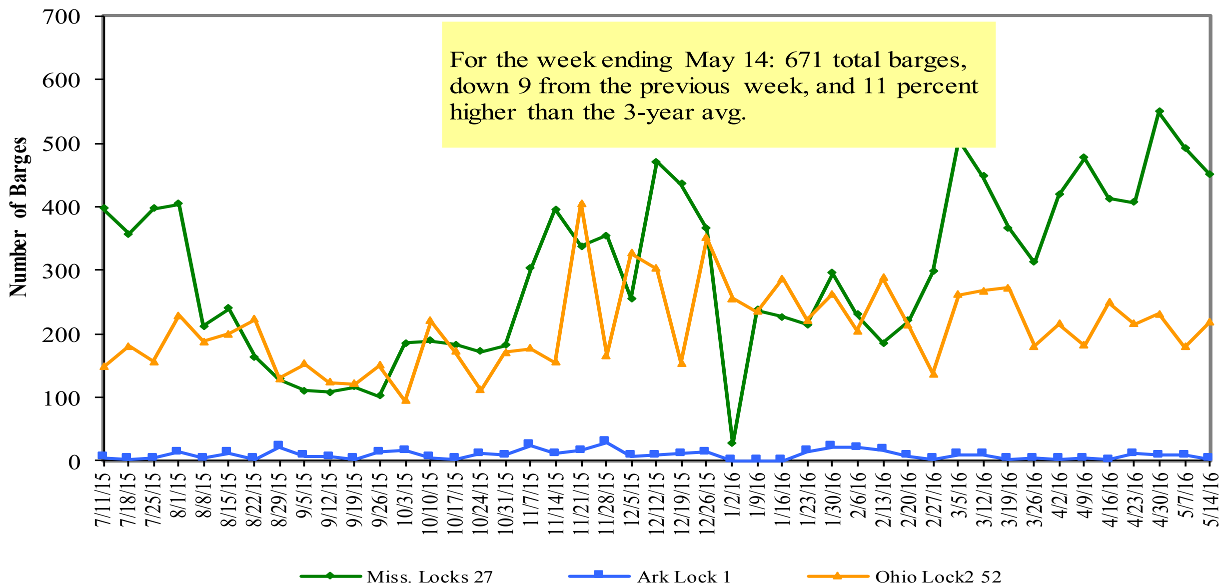
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

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

Note: Total may not add exactly, due to rounding

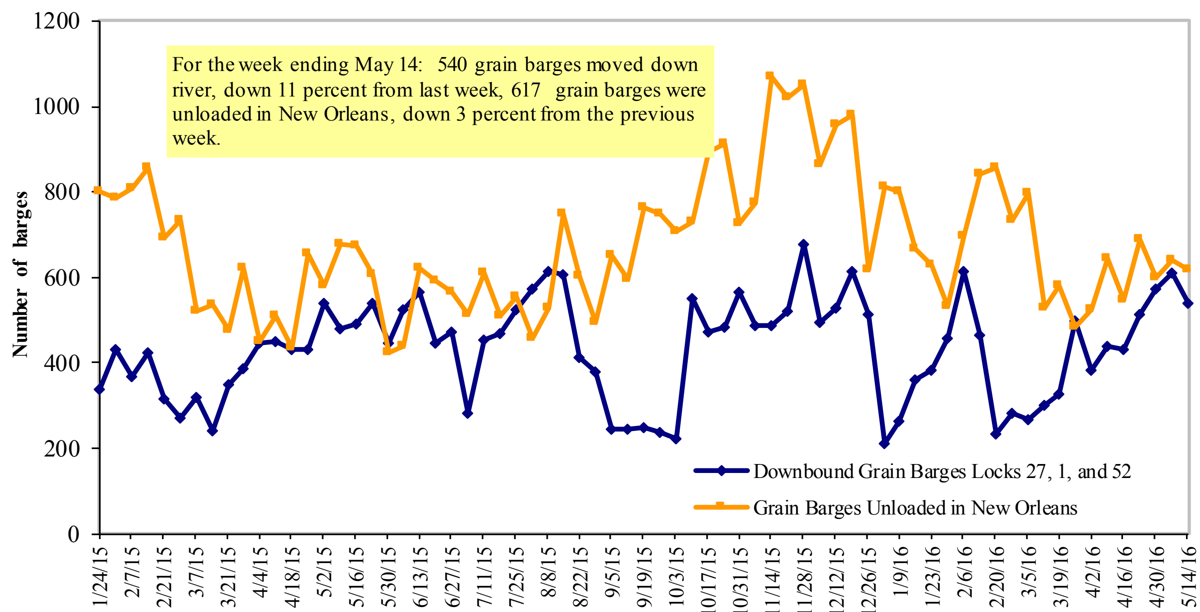
Source: U.S. Army Corps of Engineers

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 5/16/2016 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.321	0.012	-0.686
	New England	2.348	0.009	-0.745
	Central Atlantic	2.410	0.008	-0.748
	Lower Atlantic	2.248	0.016	-0.627
II	Midwest[2]	2.271	0.030	-0.520
III	Gulf Coast[3]	2.157	0.026	-0.636
IV	Rocky Mountain	2.324	0.047	-0.489
V	West Coast	2.530	0.037	-0.632
	West Coast less California	2.425	0.057	-0.608
	California	2.615	0.021	-0.653
Total	U.S.	2.297	0.026	-0.607

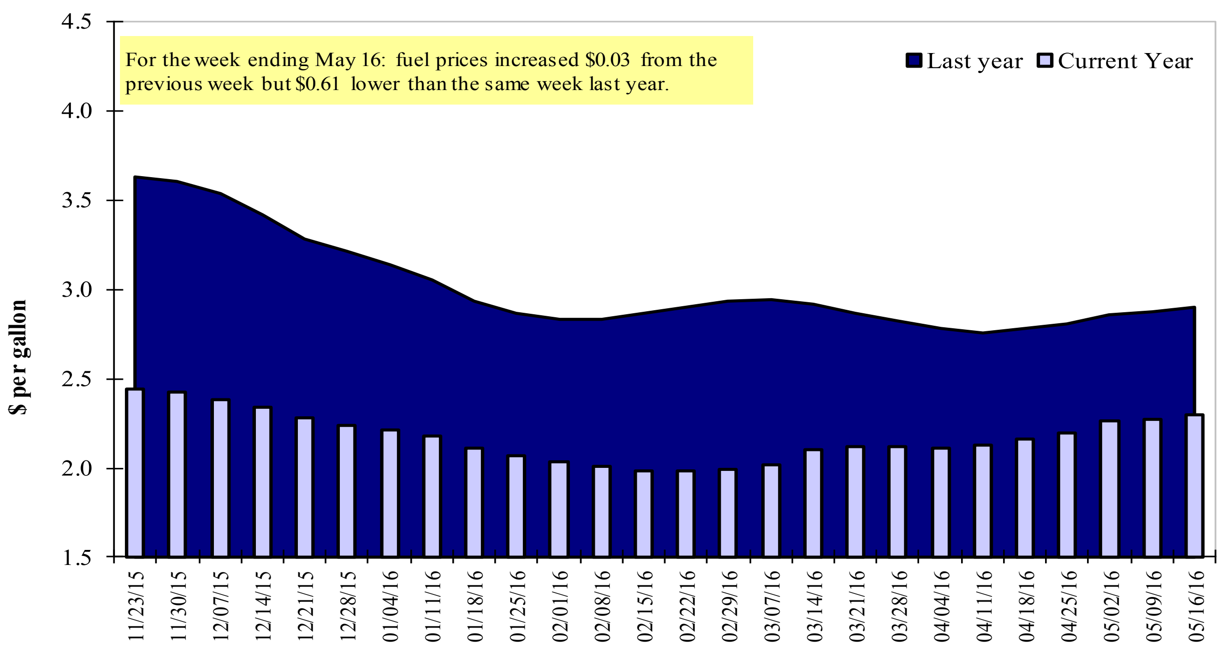
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
5/5/2016	774	212	802	568	44	2,398	13,240	3,930	19,568
This week year ago	685	362	672	359	51	2,129	12,442	3,707	18,278
Cumulative exports-marketing year[2]									
2015/16 YTD	5,127	2,983	5,950	3,325	658	18,043	25,722	42,443	86,207
2014/15 YTD	6,639	3,402	6,815	3,563	647	21,065	29,086	45,815	95,966
YTD 2015/16 as % of 2014/15	77	88	87	93	102	86	88	93	90
Last 4 wks as % of same period 2014/15	112	77	135	172	131	124	106	100	107
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 5/05/2016	Commitments[2] 2016/17 Next MY	2015/16 Current MY	2014/15 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2012-2014
		- 1,000 mt -			- 1,000 mt -
Japan	651	6,144	9,467	(35)	9,244
Mexico	1,314	11,659	9,859	18	7,448
Korea	0	1,600	2,893	(45)	2,630
Colombia	0	4,152	3,715	12	1,727
Taiwan	0	1,480	1,766	(16)	1,224
Top 5 Importers	**1,965**	**25,035**	**27,700**	**(10)**	**22,273**
Total US corn export sales	**2,743**	**38,961**	**41,529**	**(6)**	**34,445**
% of Projected		89%	88%		
Change from prior week	**151**	**1,105**	**370**		
Top 5 importers' share of U.S. corn export sales	72%	64%	67%		65%
USDA forecast, May 2016	**48,346**	**43,893**	**47,430**	**(7)**	
Corn Use for Ethanol USDA forecast, May 2016	**134,620**	**133,350**	**132,080**	**1**	

(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 5/05/2016	2016/17 Next MY	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 -
China	1,478	27,155	29,896	(9)	24,211
Mexico	563	3,126	3,128	(0)	2,971
Indonesia	15	1,588	1,618	(2)	1,895
Japan	119	2,023	1,684	20	1,750
Taiwan	7	1,147	1,167	(2)	1,055
Top 5 importers	**2,182**	**35,039**	**37,493**	**(7)**	**31,882**
Total US soybean export sales	**3,264**	**46,373**	**49,522**	**(6)**	**39,169**
% of Projected		98%	99%		
Change from prior week	7	212	137		
Top 5 importers' share of U.S. soybean export sales	67%	76%	76%		**81%**
USDA forecast, May 2016	**51,362**	**47,411**	**50,218**	**(6)**	

(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 5/05/2016	2016/17 Next MY	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	114	2,450	3,118	(21)	3,113
Mexico	306	2,367	2,708	(13)	2,807
Nigeria	70	1,529	2,083	(27)	2,512
Philippines	337	2,154	2,421	(11)	2,105
Brazil	0	479	1,534	(69)	2,091
Korea	187	1,139	1,176	(3)	1,273
Taiwan	0	1,087	999	9	1,007
Indonesia	25	538	635	(15)	751
Colombia	19	677	578	17	662
Thailand	110	556	673		618
Top 10 importers	**1,058**	**12,419**	**15,252**	(19)	**16,939**
Total US wheat export sales	**2,930**	**20,441**	**23,194**	**(12)**	**26,361**
% of Projected		96%	100%		
Change from prior week	388	295	115		
Top 10 importers' share of U.S. wheat export sales	36%	61%	66%		64%
USDA forecast, May 2016	**23,842**	**21,253**	**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 05/12/16	Previous Week*	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	235	298	79	4,389	4,341	101	130	96	10,985
Corn	274	234	117	3,174	3,722	85	128	149	7,232
Soybeans	0	11	0	4,425	4,043	109	398	70	11,809
Total	**509**	**543**	**94**	**11,987**	**12,106**	**99**	**131**	**113**	**30,027**
Mississippi Gulf									
Wheat	55	102	54	1,368	1,501	91	142	90	4,504
Corn	657	817	80	10,698	11,059	97	95	131	26,701
Soybeans	131	103	128	9,101	9,697	94	66	105	29,593
Total	**843**	**1,022**	**83**	**21,166**	**22,257**	**95**	**92**	**122**	**60,797**
Texas Gulf									
Wheat	22	77	29	972	1,542	63	37	24	3,724
Corn	0	0	n/a	313	210	149	102	155	596
Soybeans	0	0	n/a	92	210	44	n/a	0	864
Total	**22**	**77**	**29**	**1,377**	**1,962**	**70**	**46**	**32**	**5,184**
Interior									
Wheat	45	5	932	471	502	94	95	87	1,388
Corn	158	76	210	2,382	2,218	107	99	139	6,201
Soybeans	44	37	119	1,485	1,406	106	112	117	3,518
Total	**248**	**117**	**211**	**4,338**	**4,126**	**105**	**102**	**126**	**11,106**
Great Lakes									
Wheat	0	44	0	114	165	70	80	73	997
Corn	0	0	n/a	21	99	21	28	64	485
Soybeans	23	0	n/a	23	66	35	38	77	733
Total	**23**	**44**	**53**	**158**	**330**	**48**	**56**	**72**	**2,216**
Atlantic									
Wheat	30	1	n/a	181	246	74	271	376	520
Corn	0	0	n/a	14	54	25	0	0	277
Soybeans	6	3	236	840	906	93	43	68	2,053
Total	**36**	**3**	**1,126**	**1,034**	**1,206**	**86**	**74**	**83**	**2,850**
U.S. total from ports**									
Wheat	387	527	74	7,495	8,296	90	106	76	22,118
Corn	1,089	1,127	97	16,601	17,363	96	98	133	41,492
Soybeans	205	154	133	15,966	16,328	98	75	103	48,570
Total	**1,681**	**1,807**	**93**	**40,062**	**41,987**	**95**	**97**	**109**	**112,180**

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

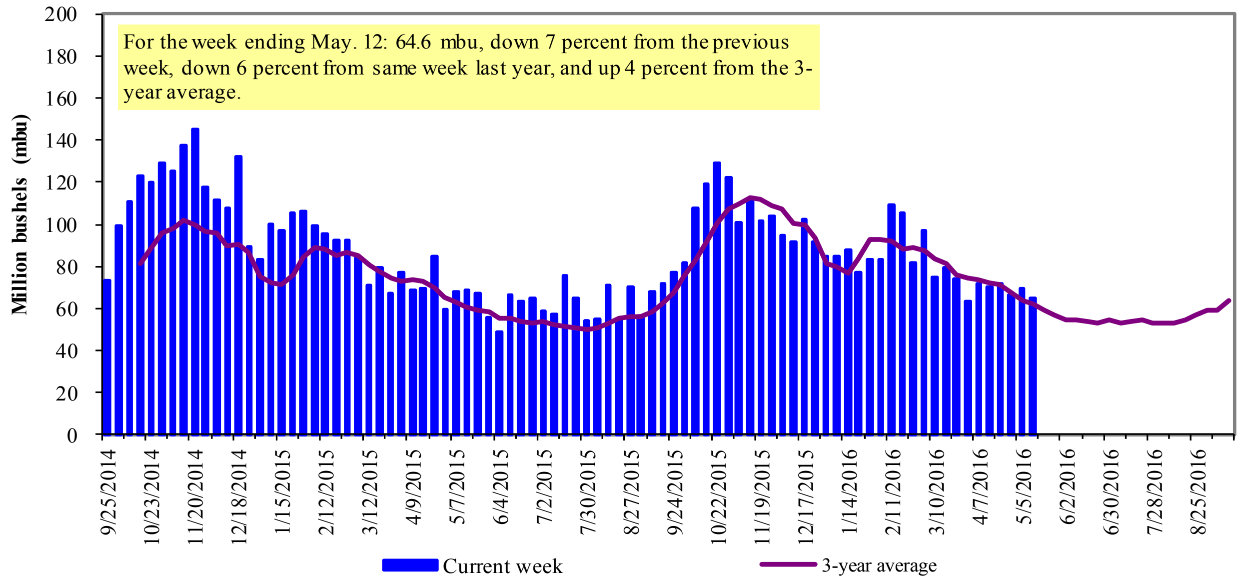
**Total only includes regions shown above

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

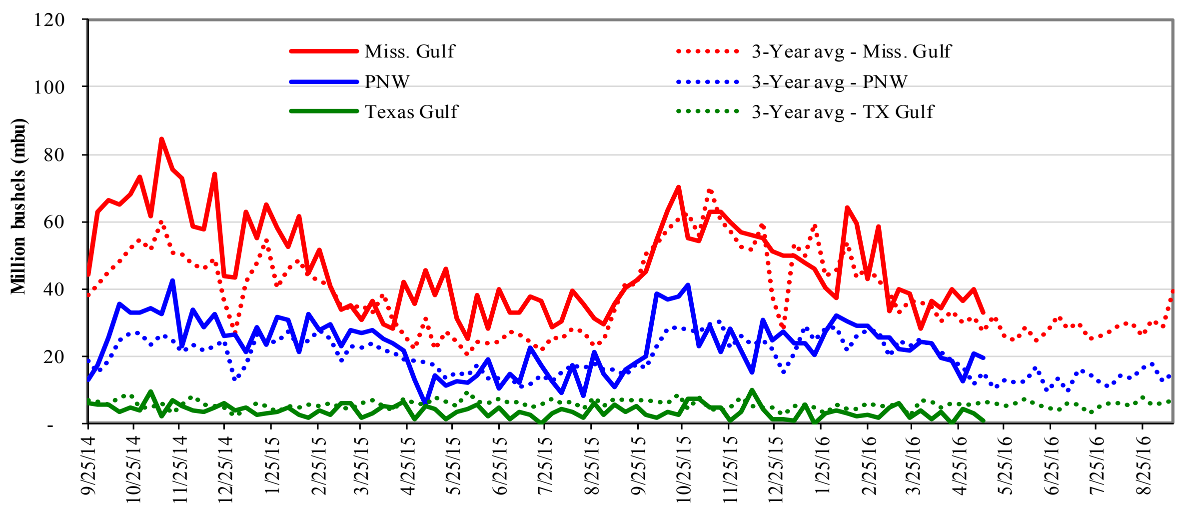
U.S. grain inspected for export (wheat, corn, and soybeans)



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 05/12/16 inspections (mbu):	
Mississippi Gulf:	32.7
PNW:	19.4
Texas Gulf:	0.8

Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last Week:	down 18	down 71	down 21	down 6
Last Year (same week):	down 14	down 80	down 20	up 38
3-yr avg. (4-wk. mov. Avg):	up 7	down 86	down 8	up 25

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

Ocean Transportation

Table 17

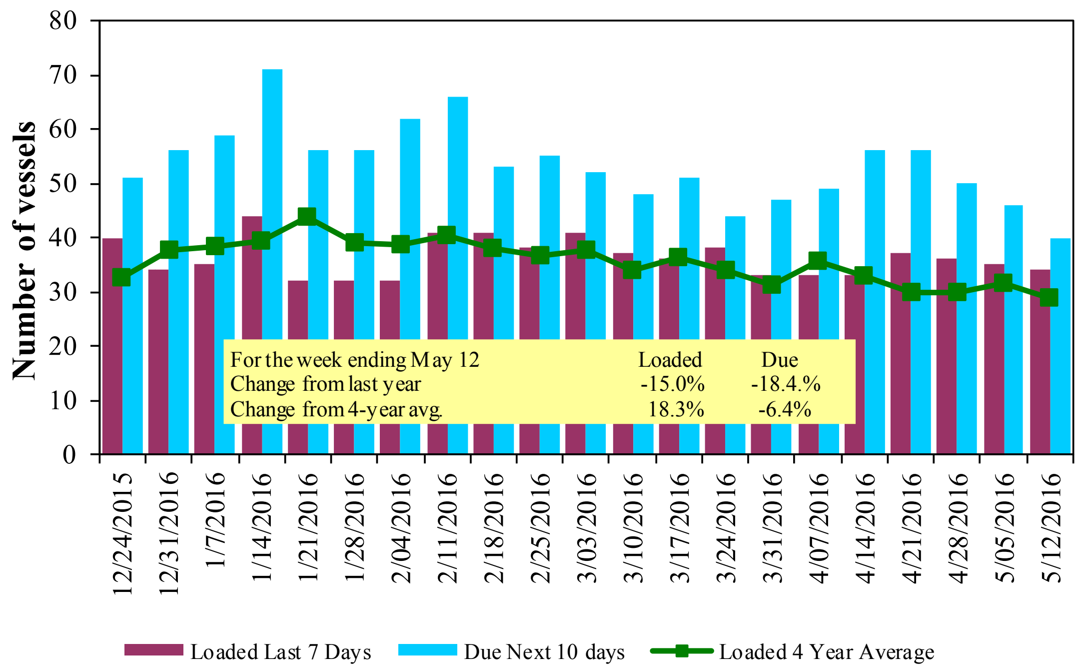
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
5/12/2016	21	34	40	6	n/a
5/5/2016	28	35	46	8	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

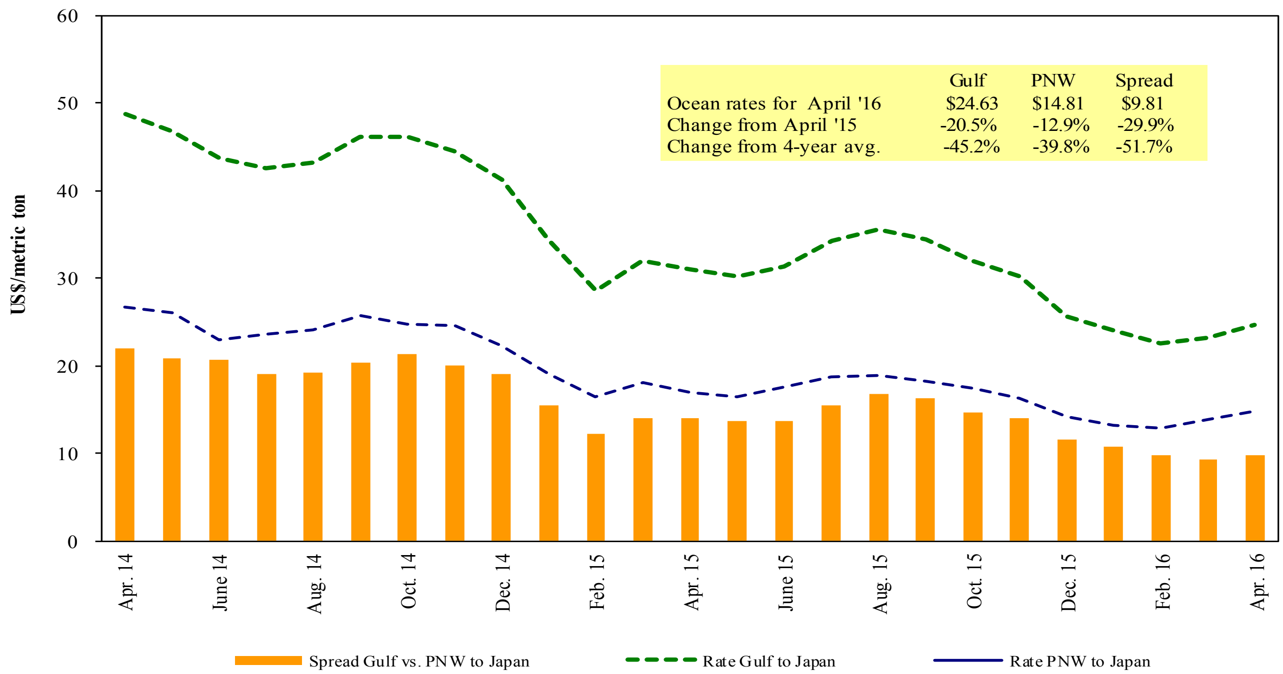
U.S. Gulf[1] Vessel Loading Activity



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 05/14/2016

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Japan	Heavy Grain	Apr 5/18	52,000	21.25
U.S. Gulf	Djibouti	Wheat[1]	Apr 4/14	34,000	128.76
U.S. Gulf	Djibouti	Sorghum	Apr 18/28	15,000	64.63
PNW	Japan	Heavy Grain	May 17/26	59,800	15.45
Brazil	China	Heavy Grain	May 5/15	60,000	17.75
Brazil	China	Heavy Grain	May 1/20	60,000	15.50
Brazil	China	Heavy Grain	May 1/16	66,000	15.25
Brazil	China	Heavy Grain	May 1/15	66,000	15.50
Brazil	China	Heavy Grain	May 1/10	60,000	16.65
Brazil	China	Heavy Grain	May 1/6	60,000	14.75
Brazil	China	Heavy Grain	April 20/30	60,000	17.50
Brazil	China	Heavy Grain	Apr 15/24	60,000	14.50
Dominca Republic	Belgium	Heavy Grain	May 11/15	62,000	8.50
EC S America	China	Heavy Grain	May/June	60,000	14.75
France	Algeria	Wheat	May 1/5	30,000	15.75
Germany	Saudi Arabia	Heavy Grain	May 15/20	60,000	20.00
Uruguay	Portugal	Soybeans	Apr 15/20	30,000	17.50

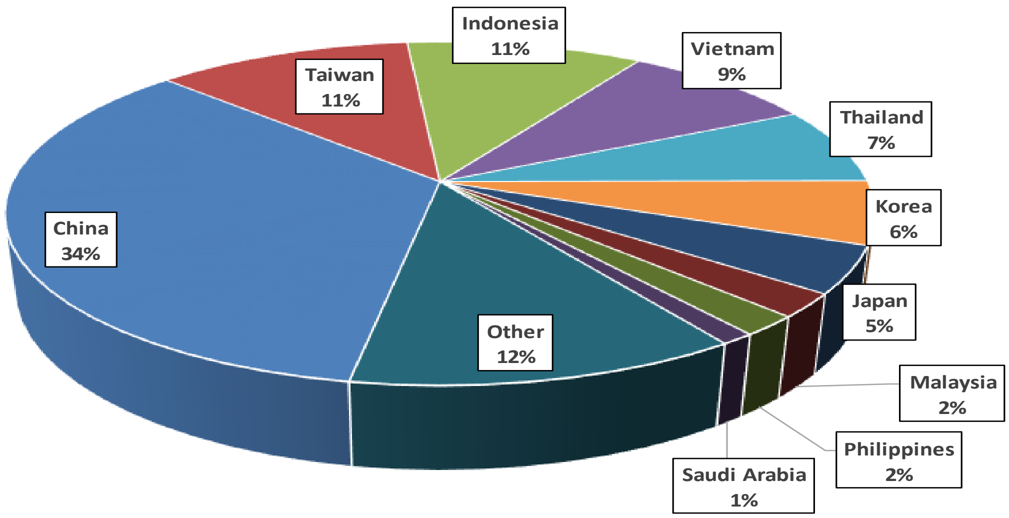
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[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.

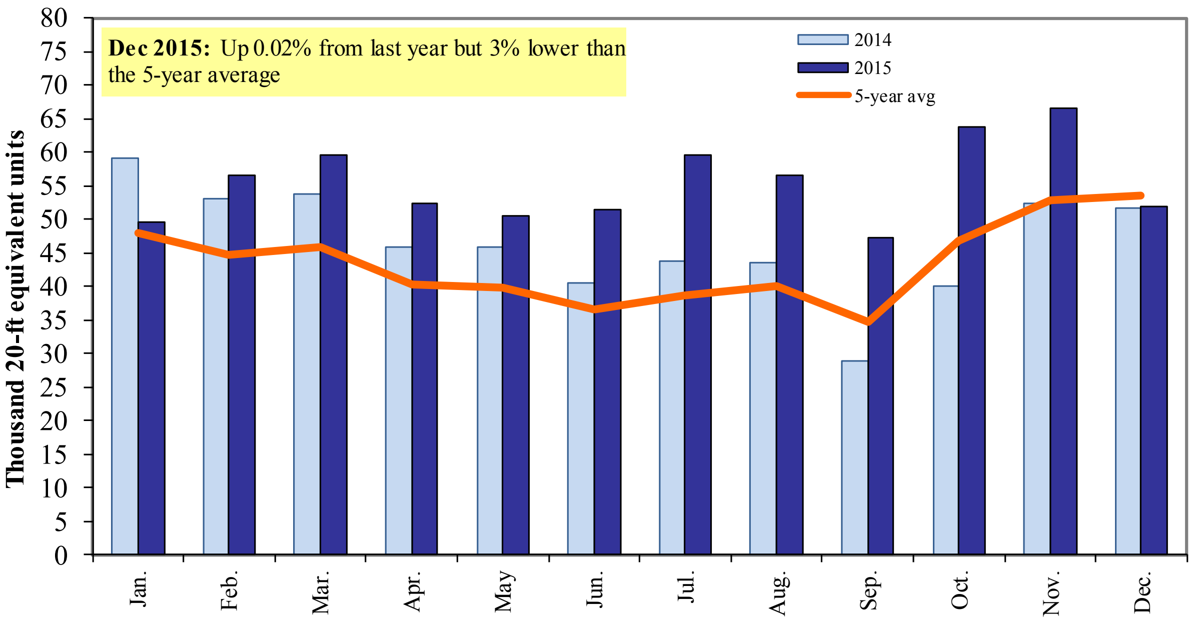
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-December 2015



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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