



Grain Transportation Report

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

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June 30, 2016

WEEKLY HIGHLIGHTS

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Grain Truck/Ocean
Rate Advisory

Data Links

Specialists

Subscription
Information

The next
release is
July 7, 2016

Expanded Panama Canal Opens and Celebrates Successful First Passage

The new set of expanded locks at the Panama Canal were opened on Sunday, June 26, and a Chinese-owned container ship, COSCO Shipping Panama made the inaugural successful commercial transit through the newly expanded locks. About 70 heads of State were invited to witness the historical passage of the COSCO Shipping Panama through the Canal's 6 massive locks—3 on either side of the Atlantic and Pacific shores. The expanded Canal will allow the passage of larger Neopanamax vessels, increase efficiency, and provide greater economies of scale to global commerce.

Railroads: Recent Grain Surge Helps Offset Drop in Coal and Crude

Grain carloads originating with U.S. Class I railroads have been above their prior 3-year average every week since May 21. With 22,711 cars for the week ending June 18, grain carloads were up 12 percent from the previous week and 24 percent higher compared to last year. Strong carload numbers for grain have helped offset substantial losses in coal and petroleum, which fell 21 percent and 25 percent, respectively, from the previous week. Year-to-date total traffic (carload plus intermodal) for U.S. Class I railroads is down 8 percent from last year, with coal down 32 percent, petroleum down 22 percent, and grain down only 2 percent.

Corn Inspections Remain Strong

For the week ending June 23, total inspections of corn reached 1.43 million metric tons (mmt), up 18 percent from the previous week, up 14 percent from last year, and 89 percent above the 3-year average. Shipments of corn increased primarily to Asia and Latin America. Wheat and soybean inspections decreased 10 and 14 percent from the past week. **Total inspections of grain** (corn, wheat, soybeans) for export reached 2.25 mmt, up 5 percent from the past week, up 33 percent from last year, and 64 percent above the 3-year average. Pacific Northwest (PNW) grain inspections dropped 8 percent from the previous week and Mississippi Gulf inspections increased 2 percent. Outstanding export sales (unshipped) of wheat and corn are down, but soybean export sales increased.

Snapshots by Sector

Export Sales

During the week ending June 16, **unshipped balances** of wheat, corn, and soybeans totaled 26.1 mmt, up 47 percent from the same time last year. Net weekly **wheat export sales** were .463 mmt, down 39 percent from the previous week. Net **corn export sales** were .871 mmt, down 4 percent from the previous week, and net **soybean export sales** were .661 mmt, down 19 percent from the past week.

Rail

U.S. Class I railroads originated 22,711 **grain carloads** for the week ending June 18, up 12 percent from the previous week, up 24 percent from last year, and up 28 percent from the 3-year average.

Average July shuttle **secondary railcar bids/offers** per car were \$25 below tariff for the week ending June 23, up \$38 from last week, and \$174 higher than last year. Average secondary non-shuttle secondary railcar bids/offers were \$6 below tariff, unchanged from last week, and \$19 higher than last year.

Barge

For the week ending June 25, **barge grain movements** totaled 995,820 tons, 12 percent higher than last week, and up 38 percent from the same period last year.

For the week ending June 25, 642 grain barges **moved down river**, up 13 percent from last week; 548 grain barges were **unloaded in New Orleans**, down 24 percent from the previous week.

Ocean

For the week ending June 23, 37 **ocean-going grain vessels** were loaded in the Gulf, 12 percent more than the same period last year. Forty-nine vessels are expected to be loaded within the next 10 days, 4 percent less than the same period last year.

For the week ending June 23, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$28.75 per metric ton, up 2 percent from the previous week. The cost of shipping from the PNW to Japan was \$16. per metric ton, up 3 percent from the previous week.

Fuel

During the week ending June 27, U.S. average **diesel fuel prices** remained unchanged from the previous week at \$2.43 per gallon, down \$0.42 from the same week last year.

Feature Article/Calendar

Industry Works Together to Find Solution for New International Container Weight Requirement

On July 1, new international regulations will require shippers to report a verified gross mass (VGM) weight of containers to shipping lines prior to being loaded on the vessel. The regulations are the result of the 2014 Safety of Life at Sea (SOLAS) amendments (see discussion in the next section). U.S. agricultural exporters have been working with ocean container carriers, the Coast Guard (the legal enforcement agency of the new regulations), the Federal Maritime Commission, and Congress for months to ensure these regulations do not disrupt their ability to efficiently move products overseas. The road has been arduous, but within just a couple of weeks of implementation, a solution for both exporters and carriers was reached. Ocean carriers have agreed to accept the gate weight recorded at the port terminals as the official shipment VGM. As the deadline approaches, exporters are encouraging all U.S. container ports to agree to this solution and carriers and ports are working out the final procedural details and methods of the data transmission.

What is the new SOLAS requirement?

The new regulations come from an amendment to the International Maritime Organization's (IMO) International Convention for the SOLAS. The IMO is "a specialized agency of the United Nations that is the global standard-setting authority for the safety, security, and environmental performance of international shipping. IMO's main role is to create a regulatory framework for the shipping industry that is fair and effective, universally adopted, and universally implemented." According to the IMO, the key objective of the SOLAS Convention is to identify and specify the minimum standards for the construction, equipment, and operation of merchant ships to ensure their safety (IMO 2016). The new regulation is an amendment to Chapter VI of SOLAS, which covers the safety requirements for all types of cargo. The amendment requires containers to have a verified gross mass as a condition for loading aboard a vessel. This information will allow vessel planners to more accurately determine the weight aboard the ship and reduce the risk of overloading the vessel.

Original interpretations of the rule required the exporter to be responsible for providing the VGM to the ocean carrier prior to the container arriving at the terminal or the container would be turned away. Carriers also required exporters to accurately report the weight of the container itself which they do not own or operate. The export community agreed this would cause additional costs, time, and delays and jeopardize the export transaction.

What is the current solution?

After the Port of Charleston's announcement in February that it would provide terminal gate weights to satisfy the new SOLAS requirements, many East and Gulf Coast ports have announced they also are willing to provide, at no additional cost, weights already collected at the entry gates to the ocean carriers to satisfy the VGM requirement. This is a normal practice at the terminals and will not require an additional lift of the container. The U.S. Coast Guard confirmed that terminal gate weights are compliant with the SOLAS mandate. On June 17, ocean carriers announced through the Ocean Carrier Equipment Management Association (OCEMA), which represents 19 ocean container carriers, that they strongly support the use of on-terminal scales to obtain the VGM of containers. Carrier alliances have also made announcements about how they will accept VGM information from the terminals.

U.S. ports are operated uniquely, so each port will have to determine the best weighing practices and data transmission method for its particular circumstance. To help ensure a consistent practice for the export community, on June 27 the Federal Maritime Commission¹ approved a discussion agreement between the 19 OCEMA members and a group of East and Gulf Coast ports (Massachusetts, North Carolina, South Carolina, Virginia, Georgia, and Houston).

¹ <http://www.fmc.gov/NR16-10/>

For cargo arriving by on-dock rail service, the G6 Alliance has announced it will accept the shippers' certification of cargo weights tendered to the railroad, as required by the Intermodal Safe Container Transportation Act. The carriers will marry these shippers' weights with the associated container tare weights pulled from the carriers' own equipment fleet registers to arrive at the VGM, which will be electronically transmitted to the terminal by the ocean carrier.

The IMO has granted a 3-month grace period for compliance with the new VGM requirements. This will allow some flexibility as ports, terminals, exporters, railroads, and ocean carriers implement uniform procedures to prevent disruption to U.S. export traffic. (April.Taylor@ams.usda.gov)

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

For the week ending	Truck	Rail		Barge	Ocean	
		Unit	Train	Shuttle	Gulf	Pacific
06/29/16	163	253	199	225	126	110
06/22/16	163	253	199	225	126	110

¹Indicator: 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)

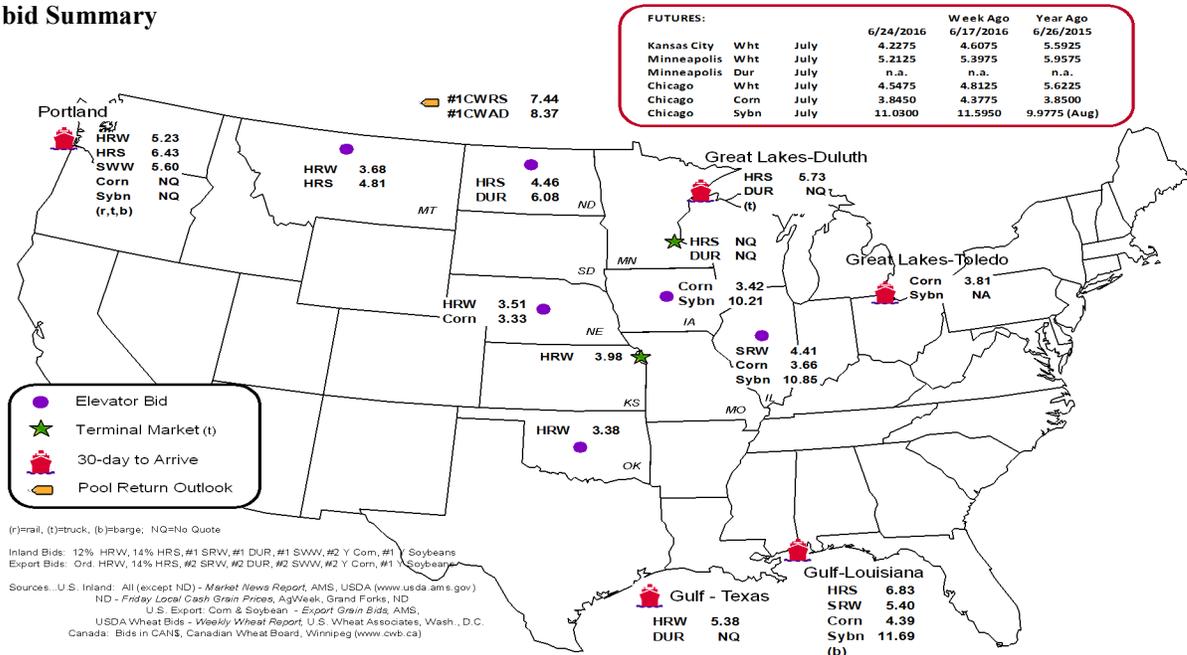
Commodity	Origin--Destination	6/24/2016	6/17/2016
Corn	IL--Gulf	-0.73	-0.64
Corn	NE--Gulf	-1.06	-0.88
Soybean	IA--Gulf	-1.48	-1.29
HRW	KS--Gulf	-1.40	-1.15
HRS	ND--Portland	-1.97	-1.90

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		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
6/22/2016 ^p	109	1,186	4,989	197	6,481	6/18/2016	1,832
6/15/2016 ^r	222	1,584	4,877	68	6,751	6/11/2016	1,926
2016 YTD ^r	6,163	36,250	123,654	9,461	175,528	2016 YTD	50,890
2015 YTD ^r	11,026	34,113	111,366	13,113	169,618	2015 YTD	43,438
2016 YTD as % of 2015 YTD	56	106	111	72	103	% change YTD	117
Last 4 weeks as % of 2015 ²	95	144	156	43	146	Last 4wks % 2015	102
Last 4 weeks as % of 4-year avg. ²	112	112	159	62	133	Last 4wks % 4 yr	109
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.

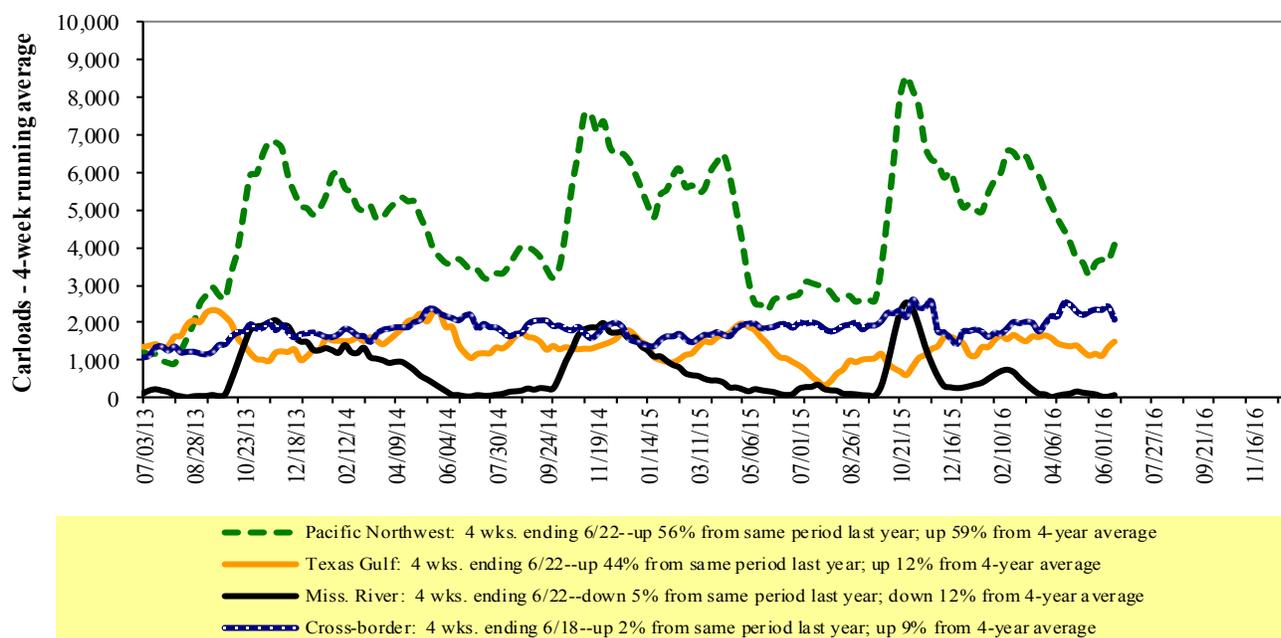
³ Cross-border weekly data is approximately 15 percent below the Association of American Railroads' reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

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)

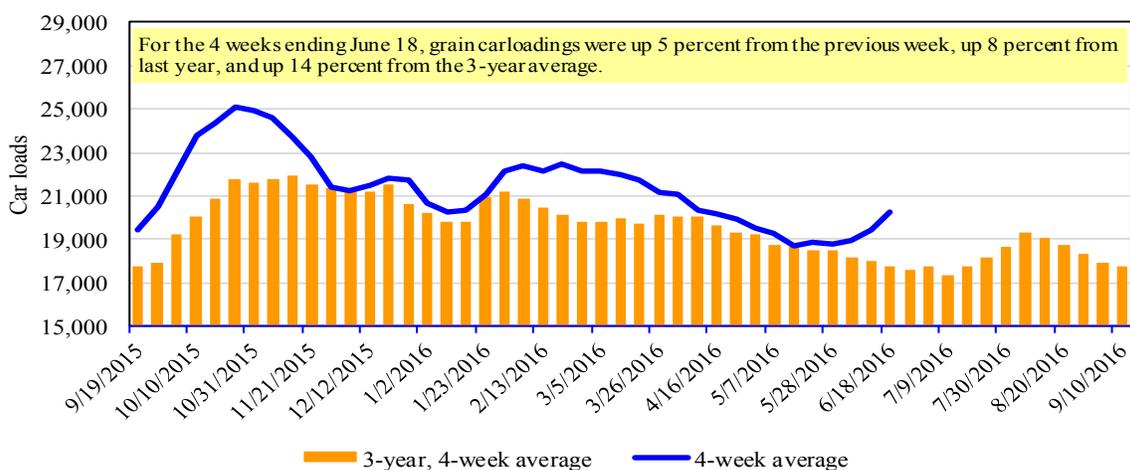
For the week ending:	East		West			U.S. total	Canada	
	6/18/2016	CSXT	NS	BNSF	KCS		UP	CN
This week	1,930	2,776	12,393	909	4,703	22,711	2,871	4,295
This week last year	1,721	2,918	7,620	994	5,018	18,271	4,597	4,548
2016 YTD	43,881	66,589	242,826	20,741	124,247	498,284	76,852	102,587
2015 YTD	49,417	73,568	238,478	21,207	124,248	506,918	99,741	104,997
2016 YTD as % of 2015 YTD	89	91	102	98	100	98	77	98
Last 4 weeks as % of 2015*	90	97	123	83	102	108	59	80
Last 4 weeks as % of 3-yr avg**	96	104	126	114	105	114	65	76
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 Offerings¹ (\$/car)²

For the week ending:		Delivery period							
6/23/2016		Jul-16	Jul-15	Aug-16	Aug-15	Sep-16	Sep-15	Oct-16	Oct-15
BNSF ³	COT grain units	7	0	0	no bids	1	no bids	1	18
	COT grain single-car ⁵	0 .. 11	0 .. 3	21 .. 71	no bids	0 .. 8	0	2 .. 15	1
UP ⁴	GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	n/a	n/a
	GCAS/Region 2	no bids	no bids	no bids	no bids	10	no bids	n/a	n/a

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

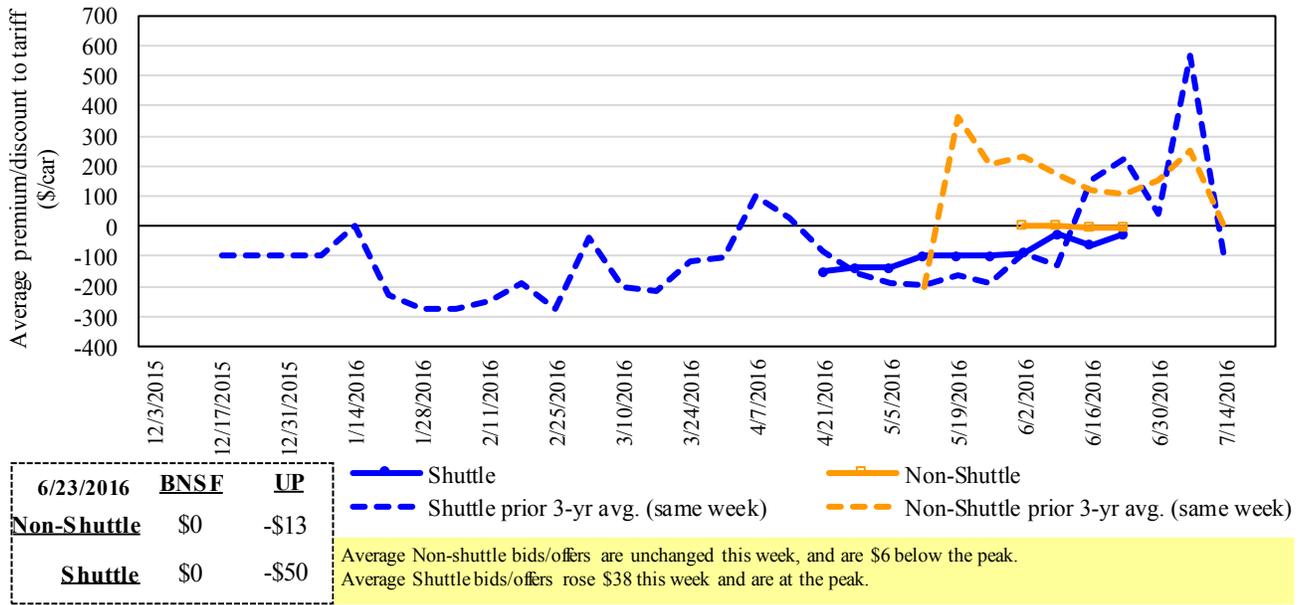
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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

Source: Transportation & Marketing Programs/AMS/USDA.

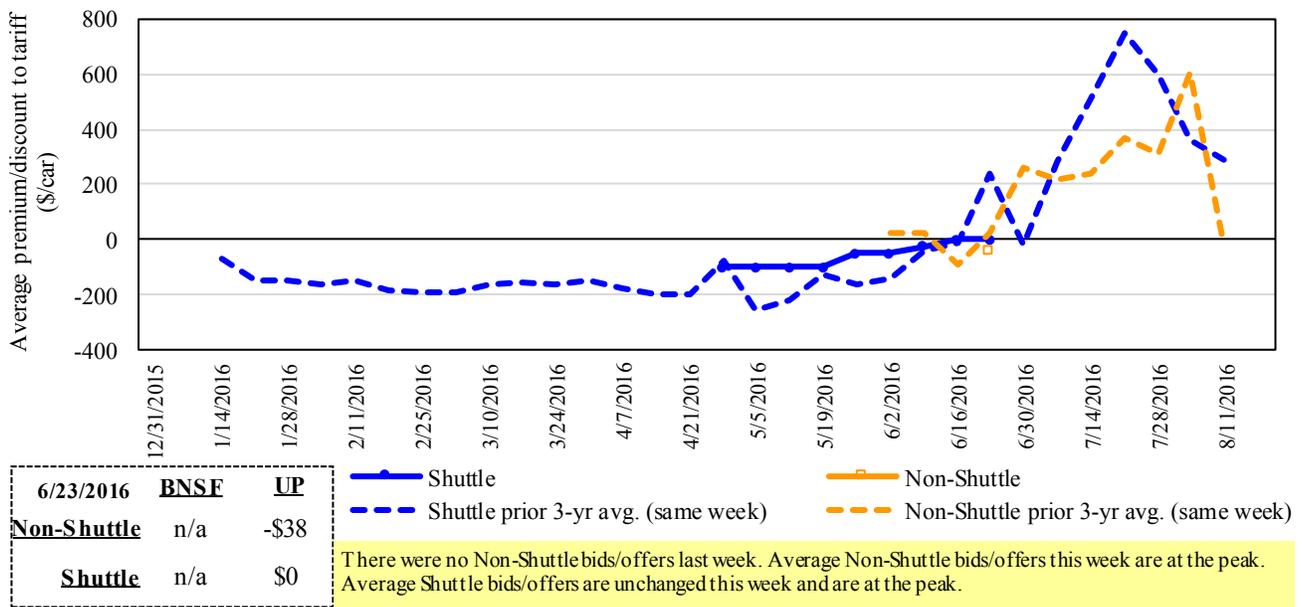
The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4
Bids/Offers for Railcars to be Delivered in July 2016, Secondary Market



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

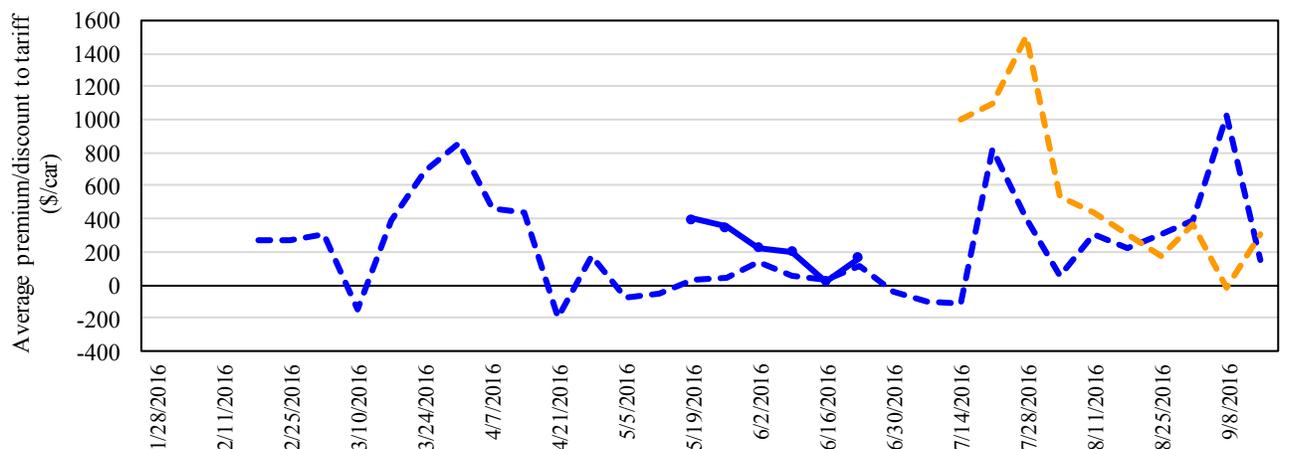
Figure 5
Bids/Offers for Railcars to be Delivered in August 2016, Secondary Market



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

Figure 6

Bids/Offers for Railcars to be Delivered in September 2016, Secondary Market



6/23/2016	BNSF	UP	Shuttle	Non-Shuttle
Non-Shuttle	n/a	n/a	Shuttle prior 3-yr avg. (same week)	Non-Shuttle prior 3-yr avg. (same week)
Shuttle	\$233	\$100	There were no Non-Shuttle bids/offers this week. Average Shuttle bids/offers rose \$142 this week and are \$233 below 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:		Delivery period					
		6/23/2016	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
Non-shuttle	BNSF-GF	0	n/a	n/a	n/a	n/a	n/a
	Change from last week	(50)	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	(13)	(38)	n/a	n/a	n/a	n/a
	Change from last week	50	n/a	n/a	n/a	n/a	n/a
Change from same week 2015	38	n/a	n/a	n/a	n/a	n/a	
Shuttle	BNSF-GF	0	n/a	233	1067	800	(25)
	Change from last week	n/a	n/a	233	267	n/a	25
	Change from same week 2015	197	n/a	133	267	n/a	n/a
	UP-Pool	(50)	0	100	475	n/a	n/a
	Change from last week	13	0	50	(25)	n/a	n/a
Change from same week 2015	150	100	300	n/a	n/a	n/a	

¹Average 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 Shipments¹

Effective date:		Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
6/1/2016	metric ton					bushel ²		
Unit train								
Wheat	Wichita, KS	St. Louis, MO	\$3,605	\$0	\$35.80	\$0.97	-2	
	Grand Forks, ND	Duluth-Superior, MN	\$3,463	-\$24	\$34.15	\$0.93	-17	
	Wichita, KS	Los Angeles, CA	\$6,950	-\$122	\$67.80	\$1.85	-3	
	Wichita, KS	New Orleans, LA	\$4,243	\$0	\$42.14	\$1.15	-3	
	Sioux Falls, SD	Galveston-Houston, TX	\$6,486	-\$100	\$63.41	\$1.73	-3	
	Northwest KS	Galveston-Houston, TX	\$4,511	\$0	\$44.80	\$1.22	-3	
	Amarillo, TX	Los Angeles, CA	\$4,710	\$0	\$46.77	\$1.27	-4	
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	-1	
	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	
Soybeans	Des Moines, IA	Los Angeles, CA	\$5,052	\$0	\$50.17	\$1.27	-1	
	Minneapolis, MN	New Orleans, LA	\$3,699	\$0	\$36.73	\$1.00	-3	
	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	7	
Shuttle Train								
Wheat	Great Falls, MT	Portland, OR	\$3,853	-\$70	\$37.56	\$1.02	-6	
	Wichita, KS	Galveston-Houston, TX	\$3,871	-\$55	\$37.90	\$1.03	-4	
	Chicago, IL	Albany, NY	\$5,492	\$0	\$54.54	\$1.48	16	
	Grand Forks, ND	Portland, OR	\$5,511	-\$122	\$53.52	\$1.46	-6	
	Grand Forks, ND	Galveston-Houston, TX	\$5,831	-\$127	\$56.65	\$1.54	-14	
	Northwest KS	Portland, OR	\$5,478	\$0	\$54.40	\$1.48	-4	
Corn	Minneapolis, MN	Portland, OR	\$5,000	-\$148	\$48.18	\$1.22	-9	
	Sioux Falls, SD	Tacoma, WA	\$4,960	-\$136	\$47.91	\$1.22	-8	
	Champaign-Urbana, IL	New Orleans, LA	\$3,481	\$0	\$34.57	\$0.88	6	
	Lincoln, NE	Galveston-Houston, TX	\$3,600	-\$79	\$34.96	\$0.89	-5	
	Des Moines, IA	Amarillo, TX	\$3,795	\$0	\$37.69	\$0.96	0	
	Minneapolis, MN	Tacoma, WA	\$5,000	-\$147	\$48.19	\$1.22	-9	
	Council Bluffs, IA	Stockton, CA	\$4,640	-\$152	\$44.57	\$1.13	-6	
Soybeans	Sioux Falls, SD	Tacoma, WA	\$5,490	-\$136	\$53.17	\$1.45	-8	
	Minneapolis, MN	Portland, OR	\$5,510	-\$148	\$53.25	\$1.45	-8	
	Fargo, ND	Tacoma, WA	\$5,380	-\$121	\$52.23	\$1.42	-8	
	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	-4	

¹A 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.

²Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

³Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

*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: 6/1/2016

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel surcharge per car ²	Tariff plus surcharge per:		Percent change ⁴ Y/Y
					metric ton ³	bushel ³	
Wheat	MT	Chihuahua, CI	\$7,459	\$0	\$76.21	\$2.07	-3
	OK	Cuautitlan, EM	\$6,514	\$0	\$66.55	\$1.81	-5
	KS	Guadalajara, JA	\$6,995	\$70	\$72.19	\$1.96	-4
	TX	Salinas Victoria, NL	\$4,142	\$0	\$42.32	\$1.15	-1
Corn	IA	Guadalajara, JA	\$8,137	\$49	\$83.64	\$2.12	-5
	SD	Celaya, GJ	\$7,480	\$0	\$76.43	\$1.94	-6
	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	\$7,080	\$0	\$72.34	\$1.84	-2
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	2
	NE	Salinas Victoria, NL	\$6,168	\$0	\$63.02	\$1.60	2
	NE	Torreon, CU	\$6,672	\$25	\$68.42	\$1.74	-2

¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009

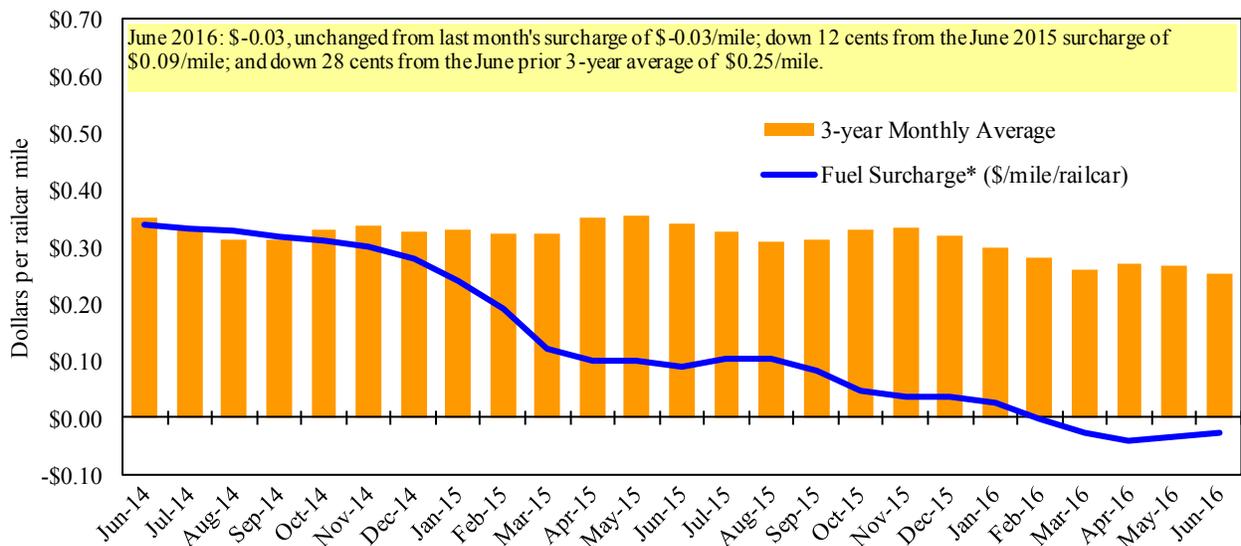
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

⁴Percentage change calculated using tariff rate plus fuel surcharge

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹



¹ Weighted by each Class I railroad's proportion of grain traffic for the prior year.

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

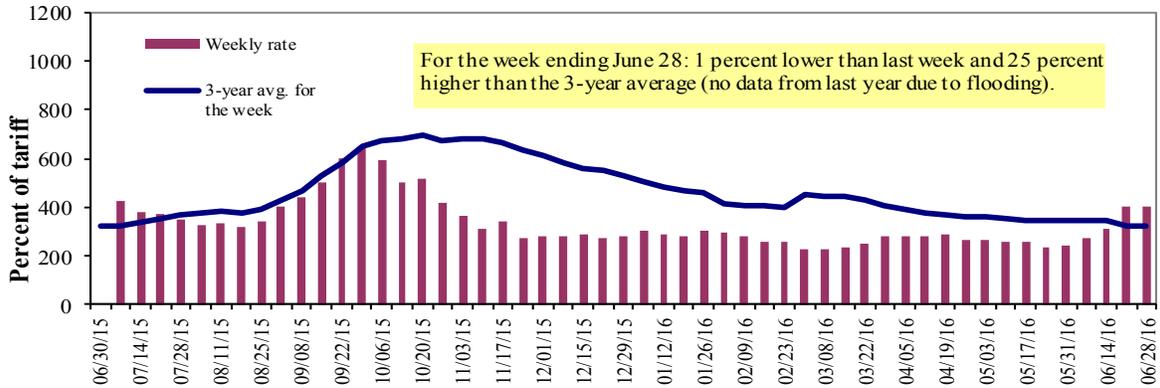
**CSX strike price changed from \$2.00/gal. to \$3.75/gal. starting January 1, 2015.

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}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.
Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	6/28/2016	470	408	400	275	273	273	248
	6/21/2016	463	413	405	300	295	295	243
\$/ton	6/28/2016	29.09	21.71	18.56	10.97	12.80	11.03	7.79
	6/21/2016	28.66	21.97	18.79	11.97	13.84	11.92	7.63
Current week % change from the same week:								
	Last year	-15	-11	-	-17	-23	-23	-5
	3-year avg. ²	9	20	25	4	9	9	13
Rate¹	July	488	435	430	308	295	295	278
	September	563	578	550	480	563	563	473

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds;
Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates

Calculating barge rate per ton:
(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.

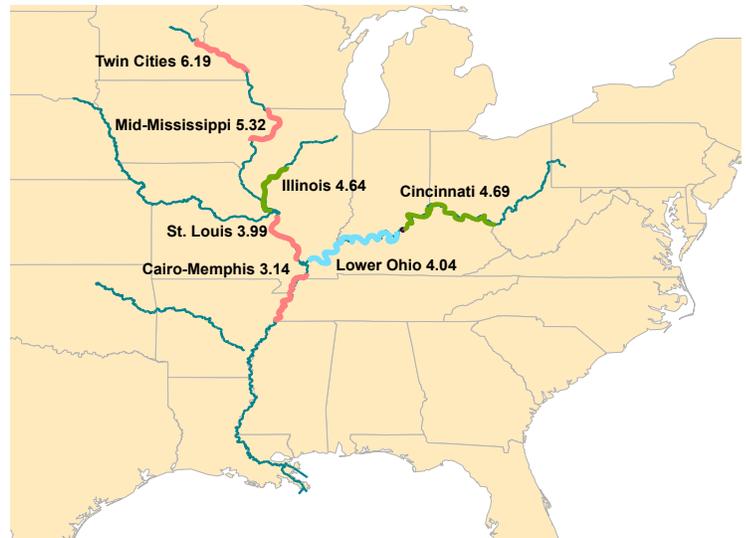
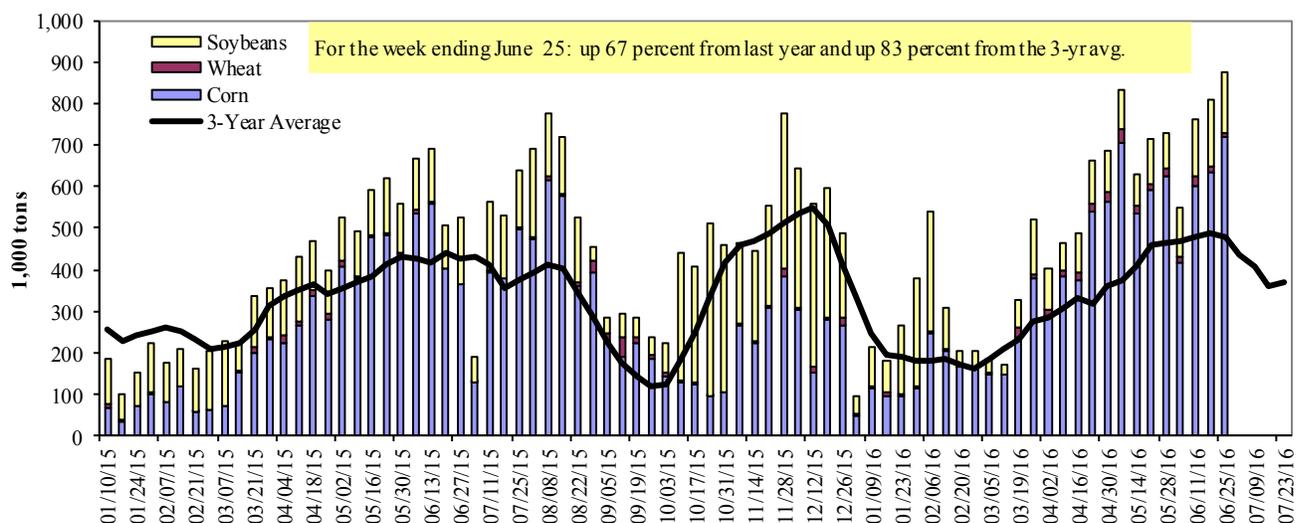


Figure 10

Barge Movements on the Mississippi River¹ (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 6/25/2016	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	287	0	69	0	356
Winfield, MO (L25)	510	2	101	16	629
Alton, IL (L26)	733	3	144	16	896
Granite City, IL (L27)	719	8	150	16	893
Illinois River (L8)	192	2	39	0	233
Ohio River (L52)	9	23	18	0	50
Arkansas River (L1)	1	44	8	0	54
Weekly total - 2016	729	75	176	16	996
Weekly total - 2015	450	75	184	14	723
2016 YTD ¹	11,670	936	4,953	162	17,720
2015 YTD	10,314	684	5,208	121	16,327
2016 as % of 2015 YTD	113	137	95	134	109
Last 4 weeks as % of 2015 ²	107	189	107	155	110
Total 2015	19,215	1,686	14,191	359	35,451

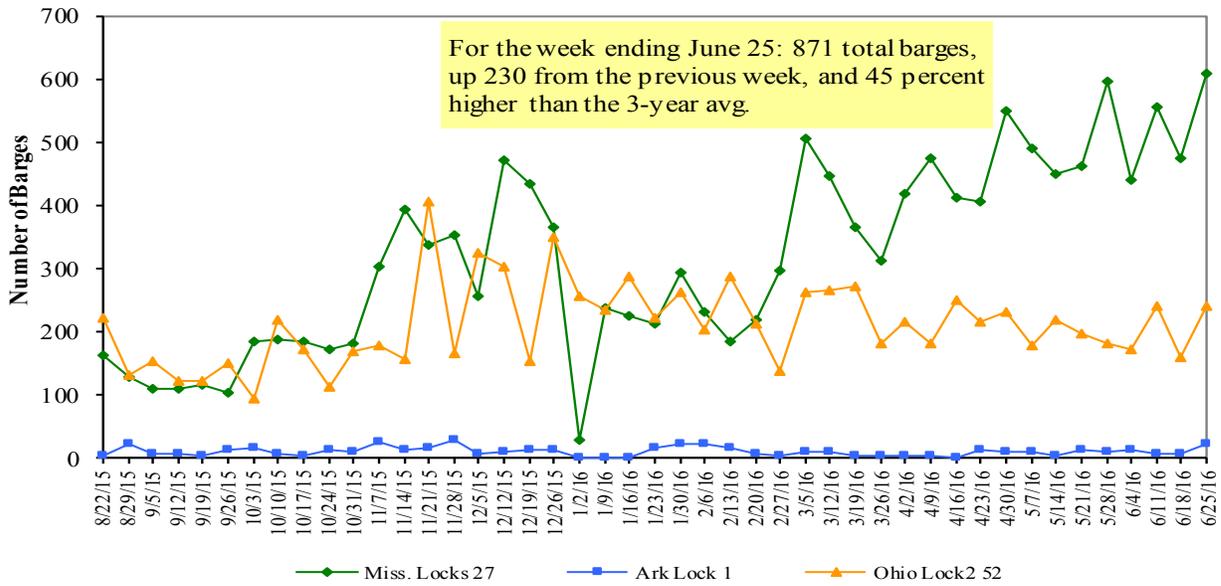
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2015.

Note: Total may not add exactly, due to rounding

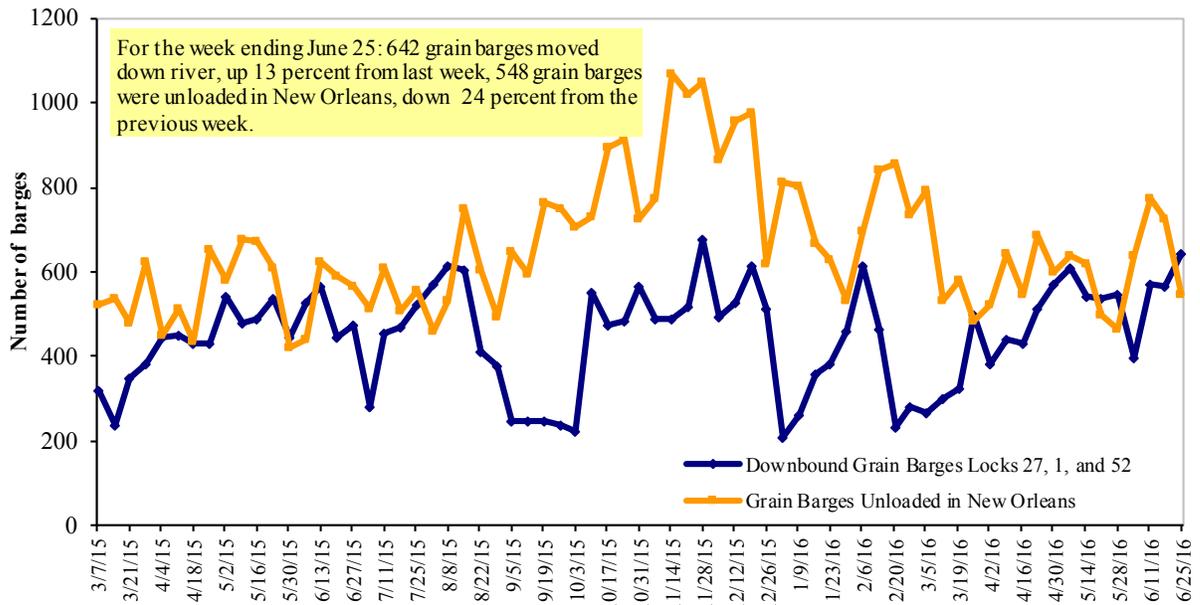
Source: U.S. Army Corps of Engineers

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 Prices¹, Week Ending 06/27/2016 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.442	-0.001	-0.512
	New England	2.491	-0.003	-0.580
	Central Atlantic	2.535	-0.007	-0.559
	Lower Atlantic	2.361	0.003	-0.462
II	Midwest ²	2.389	0.003	-0.342
III	Gulf Coast ³	2.285	-0.011	-0.445
IV	Rocky Mountain	2.429	0.016	-0.347
V	West Coast	2.713	0.007	-0.355
	West Coast less California	2.600	-0.006	-0.378
	California	2.803	0.017	-0.338
Total	U.S.	2.426	0.000	-0.417

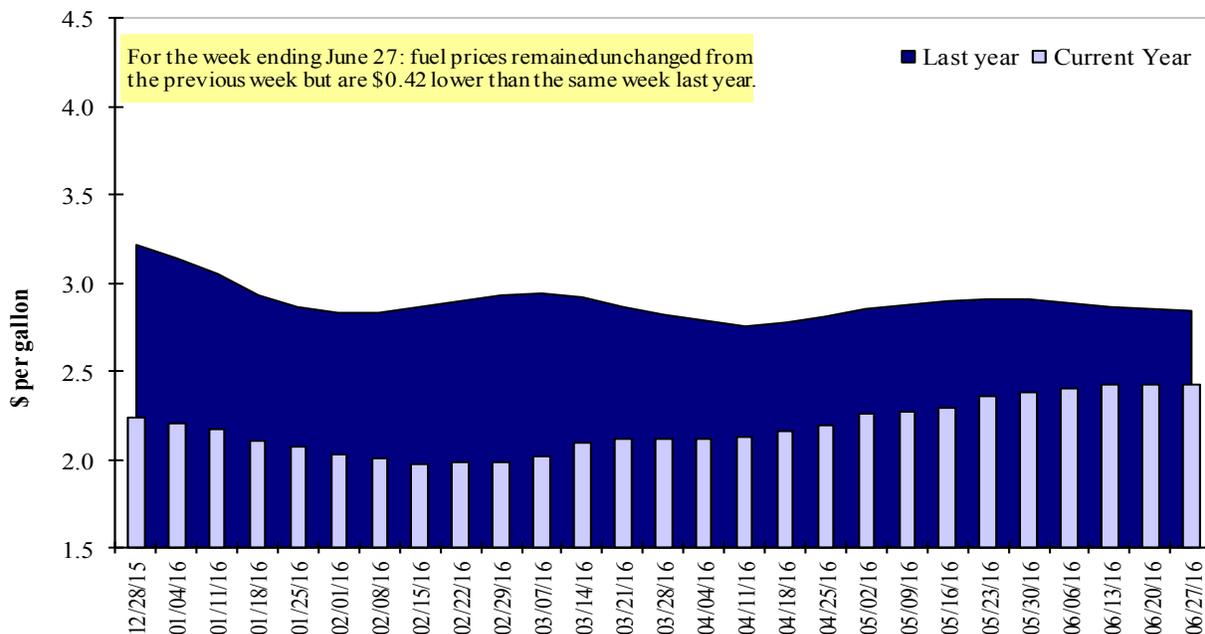
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

For the week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
6/16/2016	1,890	705	2,154	1,049	141	5,939	13,740	6,393	26,072
This week year ago	1,376	939	1,406	820	176	4,717	9,889	3,147	17,753
Cumulative exports-marketing year²									
2015/16 YTD	462	66	274	238	11	1,052	32,674	43,538	77,264
2014/15 YTD	287	122	175	123	58	765	35,191	47,342	83,298
YTD 2015/16 as % of 2014/15	161	54	157	194	19	137	93	92	93
Last 4 wks as % of same period 2014/15	111	57	124	108	66	102	144	178	139
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 wheat

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers¹ of U.S. Corn

For the week ending 6/16/2016	Total Commitments ²			% change current MY from last MY	Exports ³ 3-year avg 2012-2014
	2016/17	2015/16	2014/15		
	Next MY	Current MY	Last MY		
	- 1,000 mt -				- 1,000 mt -
Japan	839	10,008	10,985	(9)	9,244
Mexico	1,678	12,272	10,361	18	7,448
Korea	0	2,324	3,408	(32)	2,630
Colombia	93	4,468	4,067	10	1,727
Taiwan	87	1,829	1,975	(7)	1,224
Top 5 Importers	2,696	30,901	30,796	0	22,273
Total US corn export sales	4,507	46,414	45,080	3	34,445
% of Projected	9%	100%	95%		
Change from prior week	550	871	497		
Top 5 importers' share of U.S. corn export sales	60%	67%	68%		65%
USDA forecast, June 2016	48,346	46,438	47,430	(2)	
Corn Use for Ethanol USDA forecast, June 2016	134,620	133,350	132,080	1	

(n) indicates negative number.

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

²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--

http://www.fas.usda.gov/esrquery/. Total commitments change from prior week could include revisions from previous week's outstanding sales or Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--

http://www.fas.usda.gov/esrquery/

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

Table 14

Top 5 Importers¹ of U.S. Soybeans

For the week ending 6/16/2016	Total Commitments ²			% change current MY from last MY	Exports ³ 3-yr avg. 2012-2014
	2016/17	2015/16	2014/15		
	Next MY	Current MY	Last MY		
		- 1,000 mt -			- 1,000 mt -
China	2,620	27,569	30,049	(8)	24,211
Mexico	643	3,229	3,341	(3)	2,971
Indonesia	30	1,769	1,706	4	1,895
Japan	139	2,238	2,041	10	1,750
Taiwan	123	1,250	1,256	(0)	1,055
Top 5 importers	3,555	36,056	38,393	(6)	31,882
Total US soybean export sales	6,215	49,931	50,489	(1)	39,169
% of Projected	12%	104%	101%		
Change from prior week	662	661	119		
Top 5 importers' share of U.S. soybean export sales	57%	72%	76%		81%
USDA forecast, June 2016	51,771	47,956	50,218	(5)	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. Total commitments change from prior week could include revisions from previous week's outstanding sales and/or accumulated sales³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

For the week ending 6/16/2016	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2013-2015
	2016/17	2015/16		
	Current MY	Last MY		
		- 1,000 mt -		- 1,000 mt -
Japan	428	349	23	2,743
Mexico	685	540	27	2,660
Nigeria	321	597	(46)	1,978
Philippines	679	349	95	2,156
Brazil	167	143	17	2,273
Korea	344	376	(9)	1,156
Taiwan	147	288	(49)	923
Indonesia	97	46	112	790
Colombia	172	107	60	664
Thailand	167	84	99	685
Top 10 importers	3,040	2,794	9	16,028
Total US wheat export sales	6,990	5,482	28	24,059
% of Projected	29%	26%		
Change from prior week	463	434		
Top 10 importers' share of U.S. wheat export sales	43%	51%		67%
USDA forecast, June 2016	24,523	21,117	16	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. Total commitments change from prior week could include revisions from the previous week's outstanding and/or accumulated sales³FAS 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 06/23/16	Previous Week*	Current Week as % of Previous	2016 YTD*	2015 YTD*	2016 YTD as % of 2015 YTD	Last 4-weeks as % of:		2015 Total*
							Last Year	Prior 3-yr. avg.	
Pacific Northwest									
Wheat	209	380	55	5,876	5,419	108	158	134	10,985
Corn	366	255	144	4,743	4,725	100	149	208	7,232
Soybeans	10	0	n/a	4,435	4,054	109	90	116	11,809
Total	586	635	92	15,054	14,198	106	152	166	30,027
Mississippi Gulf									
Wheat	44	42	104	1,682	1,952	86	97	61	4,504
Corn	879	767	115	15,161	14,992	101	139	178	26,701
Soybeans	169	260	65	9,849	10,694	92	77	126	29,593
Total	1,092	1,069	102	26,691	27,638	97	123	153	60,797
Texas Gulf									
Wheat	237	139	171	1,752	2,026	86	165	101	3,724
Corn	31	34	89	471	301	156	102	174	596
Soybeans	0	0	n/a	92	210	44	n/a	n/a	864
Total	268	173	155	2,315	2,537	91	153	107	5,184
Interior									
Wheat	12	21	55	599	661	91	73	95	1,388
Corn	149	135	111	3,370	2,992	113	113	151	6,201
Soybeans	99	60	164	1,887	1,722	110	141	173	3,518
Total	260	217	120	5,856	5,375	109	114	148	11,106
Great Lakes									
Wheat	36	20	184	228	241	95	156	110	997
Corn	0	21	0	126	137	92	226	679	485
Soybeans	0	0	n/a	23	66	35	n/a	0	733
Total	36	40	90	377	444	85	184	155	2,216
Atlantic									
Wheat	1	0	n/a	183	330	55	1	2	520
Corn	0	0	n/a	14	77	18	0	0	277
Soybeans	8	12	66	888	940	94	121	197	2,053
Total	8	12	71	1,084	1,347	80	27	38	2,850
U.S. total from ports**									
Wheat	539	602	90	10,320	10,629	97	134	104	22,118
Corn	1,425	1,212	118	23,883	23,223	103	137	180	41,492
Soybeans	286	332	86	17,174	17,686	97	92	137	48,570
Total	2,250	2,146	105	51,377	51,538	100	129	149	112,180

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

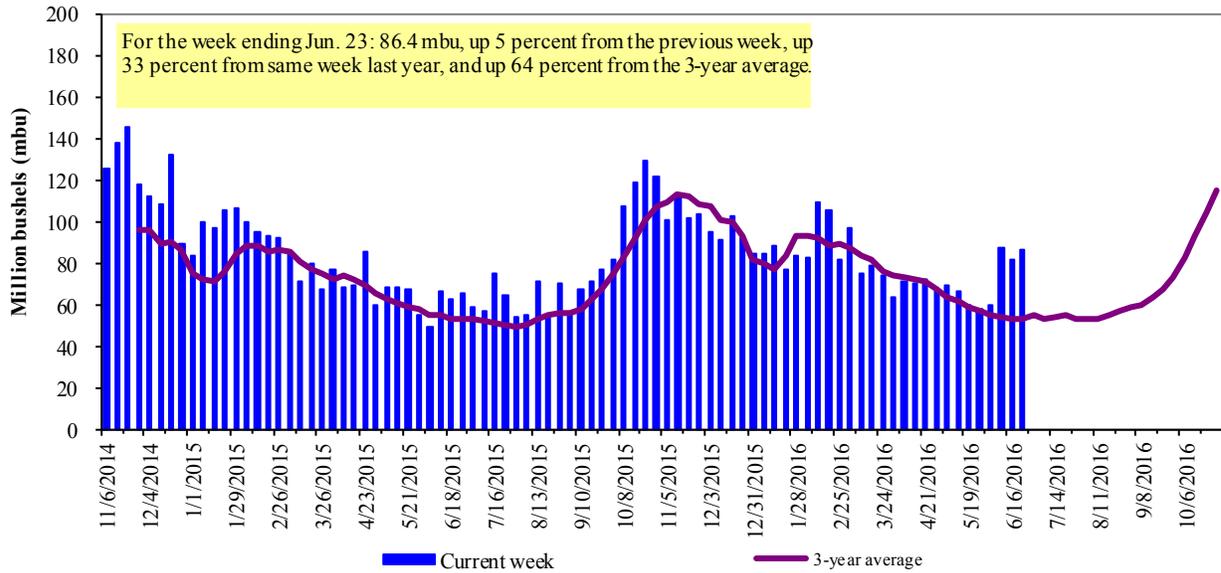
**Total only includes regions shown above

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

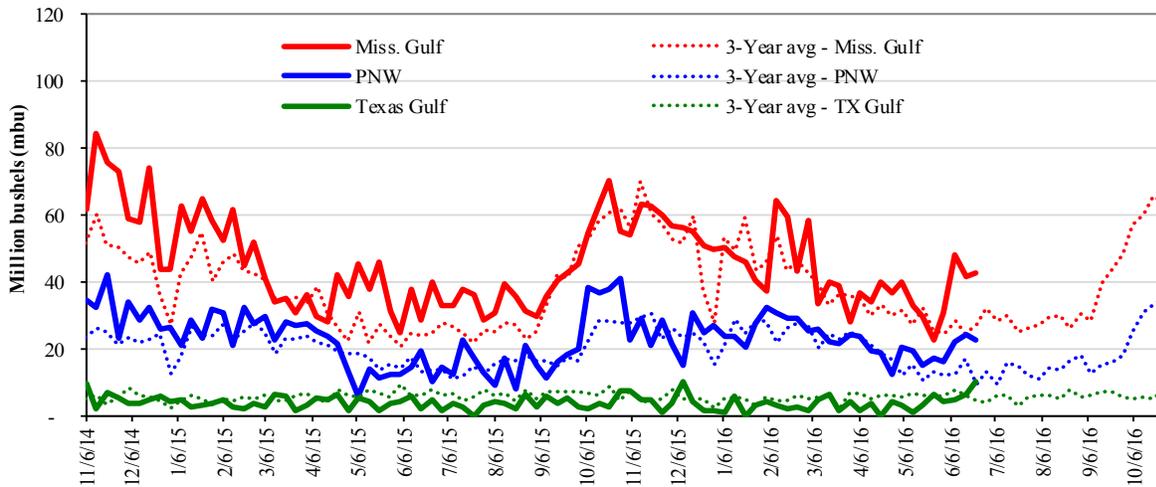
U.S. grain inspected for export (wheat, corn, and soybeans)



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 PNW¹ (wheat, corn, and soybeans)



Week ending 06/23/16 inspections (mbu):	Percent change from:	MS.Gulf	TX.Gulf	U.S. Gulf	PNW
Mississippi Gulf: 42.4	Last Week:	up 3	up 54	up 10	down 6
PNW: 22.5	Last Year (same week):	up 7	up 102	up 17	up 119
Texas Gulf: 9.9	3-yr avg. (4-wk. mov. Avg):	up 62	up 67	up 62	up 78

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

Ocean Transportation

Table 17

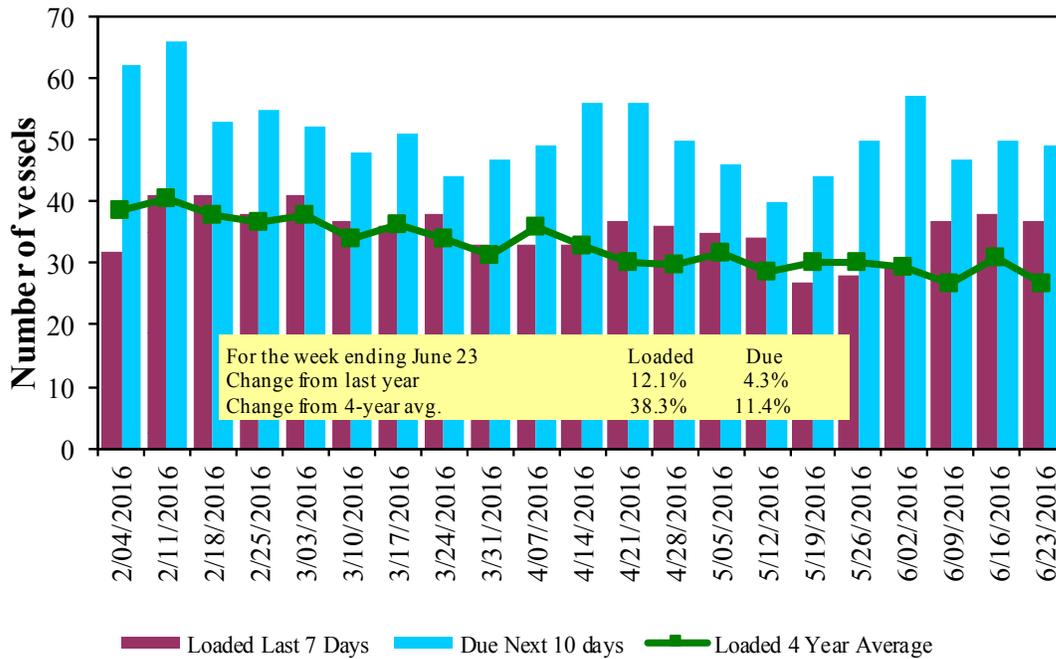
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
6/23/2016	29	37	49	12	n/a
6/16/2016	32	38	50	12	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

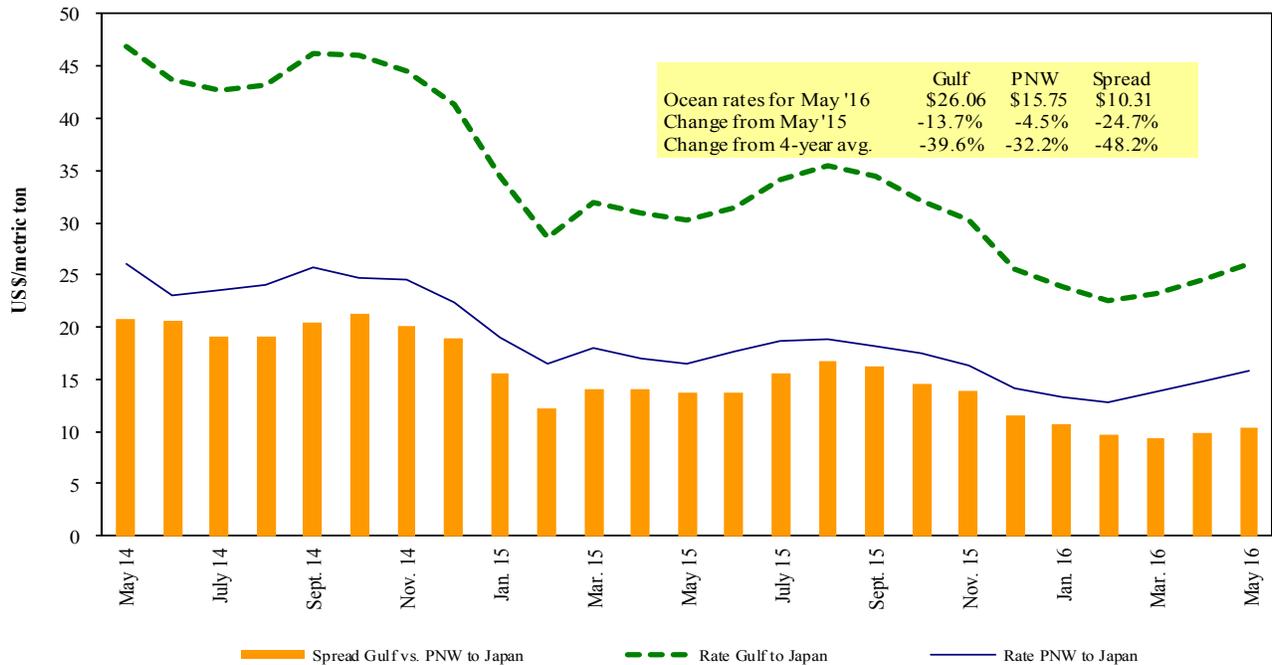
U.S. Gulf¹ Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

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 06/25/2016

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Jun 7/17	66,000	17.50
U.S. Gulf	China	Heavy Grain	May 20/30	60,000	18.25
U.S. Gulf	Tanzania	Wheat ¹	June 20/29	13,000	35.67
U.S. Gulf	Djibouti or Pt Sudan	Wheat ¹	Jul 1/10	51,000	47.25 op 46.00
PNW	Japan	Heavy Grain	Jul 5/15	60,000	15.10
PNW	Japan	Heavy Grain	Jun 20/Jul 1	60,000	15.90
PNW	Japan	Heavy Grain	Jun 20/Jul 1	60,000	15.00
PNW	Japan	Heavy Grain	May 17/26	59,800	15.45
Albany	Me Gulf	Grain	Jun 17/25	53,000	13.85
Brazil	China	Heavy Grain	Jun 28/Jul 4	60,000	18.00
Brazil	China	Heavy Grain	June 20/30	60,000	19.00
Brazil	China	Heavy Grain	May 20/30	60,000	18.25
Brazil	China	Heavy Grain	May 1/20	60,000	15.50
EC S America	China	Heavy Grain	May/June	60,000	14.75
River Plate	China	Heavy Grain	Jun 23/30	60,000	22.60
Ukraine	Spain	Heavy Grain	May 22/26	60,000	10.50

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

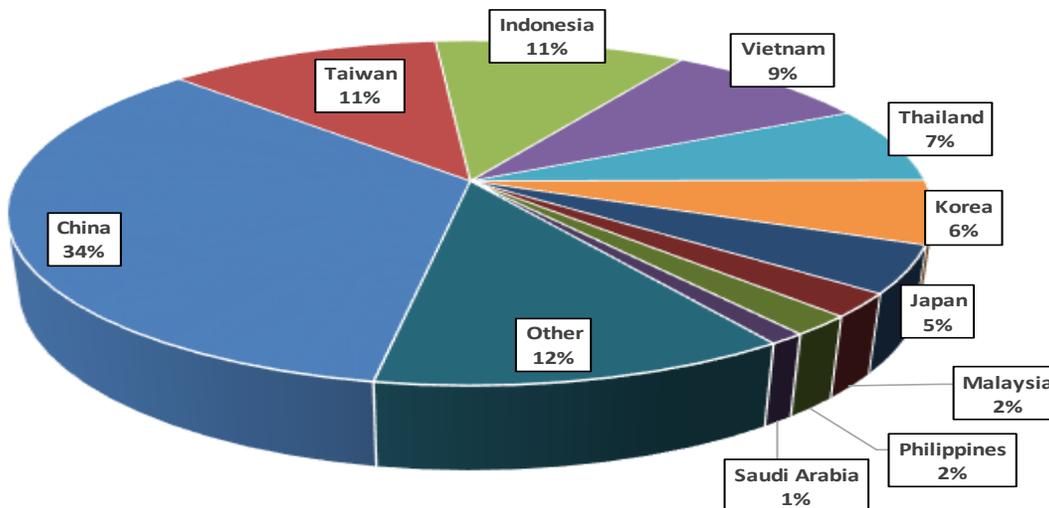
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

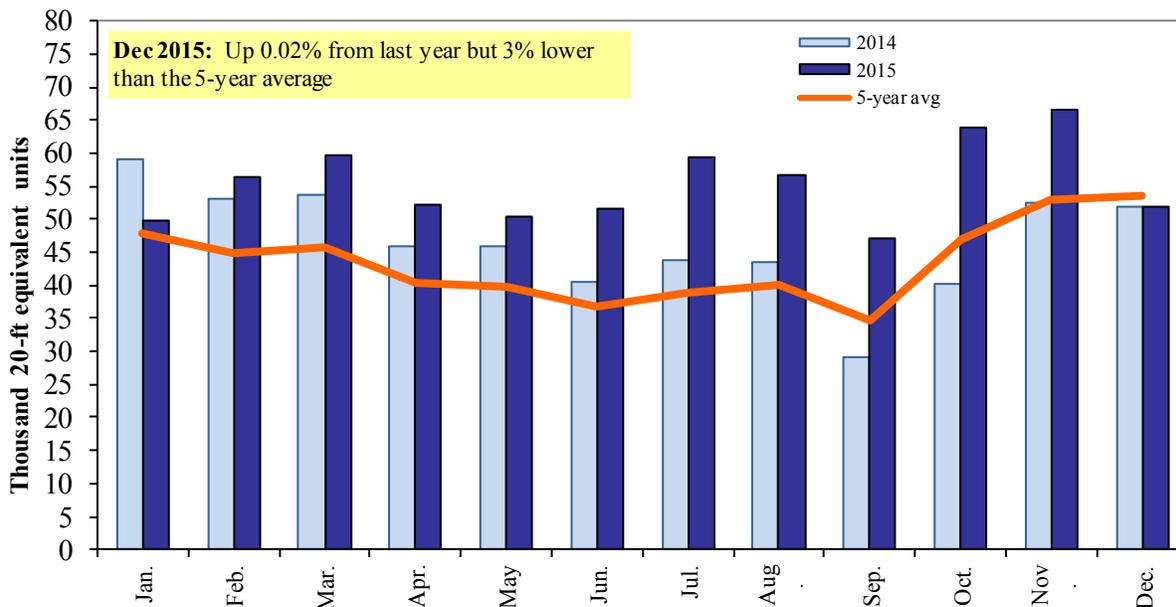


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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