



Grain Transportation Report

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

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July 27, 2017

WEEKLY HIGHLIGHTS

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Soybean Inspections Rebound

For the week ending July 20, **total inspections of grain** (corn, wheat, and soybeans) for export from major U.S. export regions reached 2 million metric tons (mmt), down 1 percent from the previous week, down 25 percent from the same time last year, but 10 percent above the 3-year average. The decrease was caused mainly by a 24 percent drop in wheat inspections, and a 17 percent decrease in corn inspections. Despite the decrease in total inspections of grain, soybean inspections jumped 100 percent, due primarily to increased shipments to Asia and Europe. Mississippi Gulf soybean inspections increased notably, pushing total grain inspections in the region up 15 percent from the past week. Total grain inspections increased 2 percent from the previous week in the Pacific Northwest (PNW). Outstanding export sales were up for wheat and corn, but down for soybeans.

Weekly Grain Barge Shipments Highest Since Last November

Grain tonnages through the locking portions of the Mississippi, Ohio, and Arkansas Rivers surged to 1.2 million tons, the highest since the week ending November 26, 2016. While corn shipments are higher compared to soybeans during July, the large increase for the latest week was primarily due to an increase in soybeans. For the week ending July 22, soybeans tonnages were 453 thousand ton, 163 percent higher than the 3-year average for weekly soybean tonnages for July. From 2013 to 2016, the average weekly corn tonnage on the locking sections during July was 496 thousand per week, while the latest week's tonnages were 674 thousand per week. The weekly increase is due in part to increased river levels that have improved navigation conditions around lock repairs and allowed more tows to transit the work areas.

Bill Introduced to Delay Compliance of the Electronic Logging Devices Rule

On July 18, 2017, a bill was introduced in the House, which would delay compliance of the Electronic Logging Device (ELD) rule. According to Federal Motor Carrier Safety Administration (FMCSA), the [ELD rule](#) is "intended to help create a safer work environment for drivers, and make it easier, faster to accurately track, manage, and share records of duty status (RODS) data." The ELD rule requires all commercial motor vehicles to have either an Automatic On-Board Recording Device (AOBRD) system or an ELD installed by December 18, 2017, and all devices must be ELD-compliant by December 2019. The newly introduced bill, if enacted, would provide a 2 year extension, before mandatory implementation of the ELD rule on all U.S. freight-hauling trucks. The current hours-of-service (HOS) regulations do not apply to the transportation of agricultural commodities operating within the 150-air mile radius. Covered farm vehicles are exempted from the HOS regulation and not required to have an ELD (49 CFR 395.1).

Snapshots by Sector

Export Sales

For the week ending July 13, **unshipped balances** of wheat, corn, and soybeans totaled 19.3 mmt, down 19 percent from the same time last year. Net weekly **wheat export sales** were .670 mmt, up 87 percent from the previous week. Net **corn export sales** were .467 mmt, up 190 percent from the previous week, and net **soybean export sales** were .410 mmt, up 80 percent from the past week.

Rail

U.S. Class I railroads originated 22,802 **grain carloads** for the week ending July 15, up 26 percent from the previous week, down 11 percent from last year, and up 8 percent from the 3-year average.

Average August shuttle **secondary railcar** bids/offers per car were \$177 below tariff for the week ending July 20, down \$21 from last week, and \$458 lower than last year. Average non-shuttle secondary railcar bids/offers per car were \$31 below tariff, up \$123 from last week, and \$88 lower than last year.

Barge

For the week ending July 22, **barge grain movements** totaled 1,230,416 tons, 34 percent higher than the last week, and up 30 percent from the same period last year.

For the week ending July 22, 772 grain barges **moved down river**, up 30 percent from last week, 686 grain barges were **unloaded in New Orleans**, up 2 percent from the previous week.

Ocean

For the week ending July 20, 32 **ocean-going grain vessels** were loaded in the Gulf, 11 percent less than the same period last year. Forty-two vessels are expected to be loaded within the next 10 days, 32 percent less than the same period last year.

For the week ending July 20, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$38.25 per metric ton, 2 percent more than the previous week. The cost of shipping from the PNW to Japan was \$19.75 per metric ton, 3 percent more than the previous week.

Fuel

During the week ending July 24, **average diesel fuel prices** increased almost 2 cents from the previous week to \$2.51 per gallon, 13 cents higher than the same week last year.

Feature Article/Calendar

Second Quarter Bulk Ocean Freight Rates Up

Ocean freight rates for shipping bulk grain for benchmark grain routes increased during the second quarter, compared to the previous quarter and the same period a year ago. While rates from the Gulf to Japan were more than the 4-year average, the rates from Pacific Northwest (PNW) to Japan and the rates from the Gulf to Europe were less than the 4-year average. The rates for shipping a metric ton (mt) of grain from the United States Gulf to Japan averaged \$38.08, 5 percent above the previous quarter, 44 percent above same period last year, and 2 percent above the 4-year average. The rates for shipping from the PNW to Japan averaged 19.93 per mt, which is 5 and 29 percent more the previous quarter and same period a year ago, respectively, but 3 percent less than the 4-year average (see table and figure below). It cost \$14.49 per mt to ship grain from the U.S. Gulf to Europe, 2 percent less than the previous quarter, 6 percent more than last year, and 15 percent less than the 4-year average. The spread between the U.S. Gulf-to-Japan and PNW-to-Japan rates also increased compared to the previous quarter, same period a year ago, and 4-year average. The spread normally increases when the U.S. Gulf-to-Japan rate is increasing at a faster rate than the PNW-to-Japan rate or is decreasing at a slower rate than the latter.

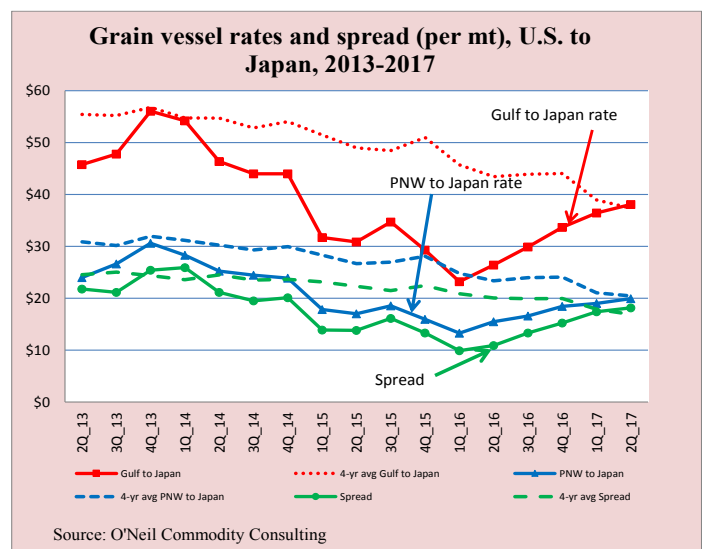
Ocean freight rates for grain routes during the second quarter 2017							
Route	Apr.	May	June	2nd quarter 2017	Change from		
					1st qtr '17	2nd qtr '16	4-yr avg
--\$/mt--				--\$/mt--	Percent		
U.S. Gulf to Japan	39.88	37.81	36.55	38.08	5	44	2
PNW to Japan	21.56	19.63	18.60	19.93	5	29	-3
Spread	18.32	18.18	17.95	18.15	4	67	7
U.S. Gulf to Europe	15.44	14.38	13.65	14.49	-2	6	-15

*Spread is the difference between ocean freight rates for shipping grain from the U.S. Gulf to Japan and PNW to Japan
Source: O'Neil Commodity Consulting

The increase in ocean rates during the quarter was partly due to strong grain movements and grain vessel loading activity. Grain (wheat, corn, and soybeans) inspected for exports from all major U.S. ports reached 29.8 million metric tons—23 percent above last year and 37 percent above the 5-year average (see July 20, 2017 *Grain Transportation Report (GTR)*). The U.S. Gulf loaded 447 ocean-going grain vessels during the quarter, compared to 437 during the same period last year. In the PNW, 272 ocean-going vessels were loaded or waiting to be loaded, compared to 172 vessels last year.

Market Analysis and Outlook

The second quarter began in April with the continuation of a rate increase that started in the middle of the first quarter, following strong grain export movements and greater demand for other bulk items (see April 27, 2017 *GTR*). The rates fell during May and June, as the demand for other bulk items slowed down. However, the quarterly average was still above the previous quarter and last year, but lower than the 4-year average. As of July 20, ocean freight rates for shipping grain from the U.S. Gulf to Japan were \$38.25 per mt—a 6 percent drop from the year-to-date peak of \$40.50 per



mt, on April 20. The rate from the PNW to Japan was \$19.75 per mt—an 11 percent decline from the year-to-date peak of \$22.25 per mt, on April 13.

Ocean freight rates for shipping bulk commodities, including grain, will likely not increase significantly any time soon, as excess vessel capacity persists in the bulk shipping market. Although the pace of new deliveries and newbuilding activity have slowed down, a majority of new deliveries remain on the schedule for 2017. During May, deliveries fell 30 percent, compared to May 2016. However, demolitions of older vessels only fell 27 percent in terms of deadweight tonnage during the same period (June 2017 edition of *Drewry Shipping Insight*). Removing the glut in the dry bulk market would require demolition activity to pick up its pace to at least the levels reached in 2016. In addition, a large build-up of inventories at the ports and a rise in domestic production may reduce Chinese iron ore imports in the coming months. China plans to increase operating days for all mines in major coal-producing provinces, which will increase domestic stocks and lower the imports of thermal coal. In April, coal production increased 9.9 percent and returned to its 2015 level. According to recent reports, Drewry expects the grain trade to be stable. However, increases in domestic production and the import duty on wheat by India and Morocco may put pressure on wheat trade and consequently lower the demand for Panamax vessels on the Australia-India and Australia-Morocco routes. surajudeen.olowolayemo@ams.usda.gov

Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

For the Week Ending	Mississippi		Pacific	Atlantic &	Total	Week ending	Cross-Border
	Gulf	Texas Gulf	Northwest	East Gulf			Mexico ³
07/19/2017 ^p	239	1,392	4,525	247	6,403	7/15/2017	2,432
07/12/2017 ^f	132	985	3,879	93	5,089	7/8/2017	2,332
2017 YTD ^f	15,229	52,061	170,662	11,969	249,921	2017 YTD	66,589
2016 YTD ^f	6,999	41,669	142,080	10,214	200,962	2016 YTD	59,570
2017 YTD as % of 2016 YTD	218	125	120	117	124	% change YTD	112
Last 4 weeks as % of 2016 ²	78	106	99	93	99	Last 4wks % 2016	115
Last 4 weeks as % of 4-year avg. ²	80	114	152	88	137	Last 4wks % 4 yr	136
Total 2016	36,925	86,992	299,932	28,728	452,577	Total 2016	92,982
Total 2015	29,054	60,819	239,029	26,730	355,632	Total 2015	97,736

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2016 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.

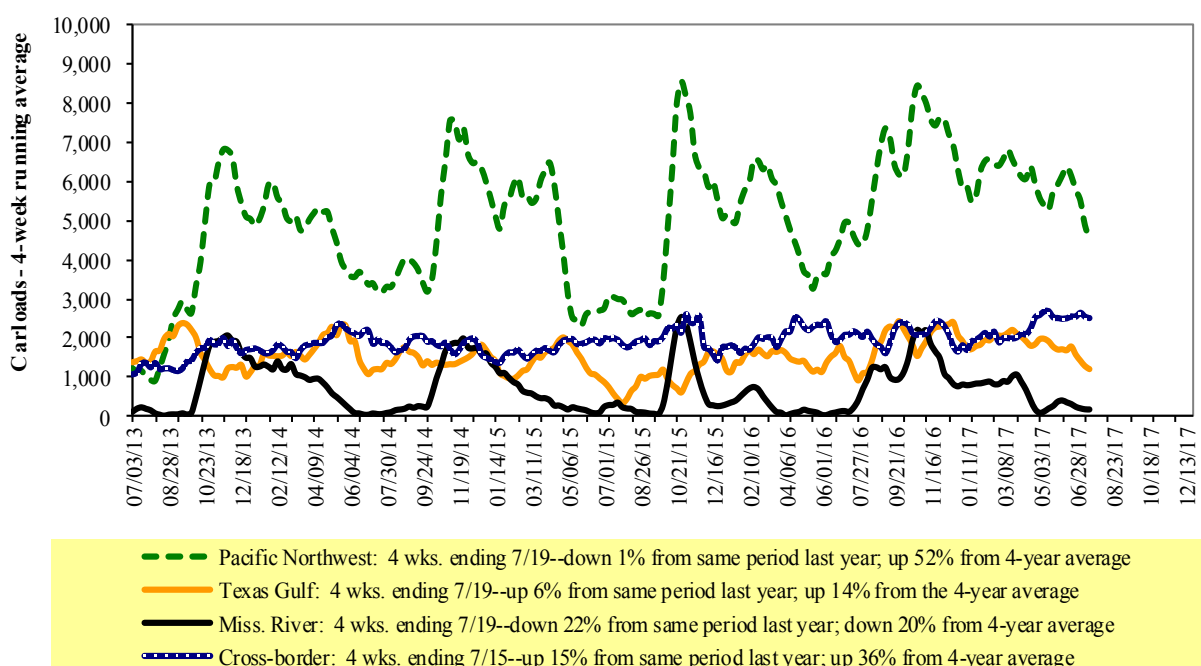
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

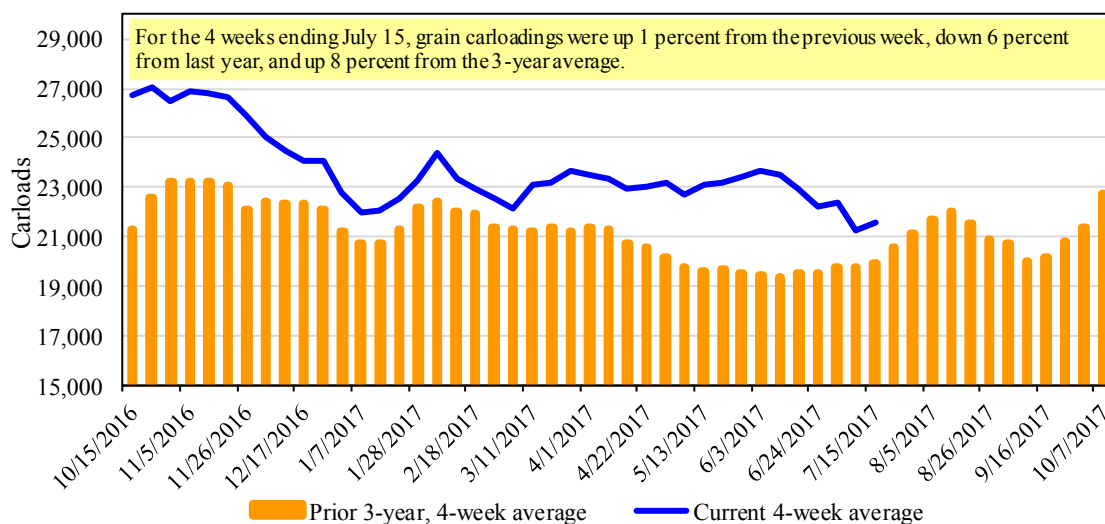
For the week ending: 7/15/2017	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,722	2,968	10,897	965	6,250	22,802	3,454	5,275
This week last year	1,608	3,597	13,342	1,022	6,025	25,594	3,703	3,948
2017 YTD	49,613	78,612	320,483	26,856	165,615	641,179	106,547	125,830
2016 YTD	49,749	78,795	291,009	24,124	146,511	590,188	89,494	116,160
2017 YTD as % of 2016 YTD	100	100	110	111	113	109	119	108
Last 4 weeks as % of 2016*	117	96	87	117	99	94	107	119
Last 4 weeks as % of 3-yr avg.**	98	103	111	123	108	108	89	107
Total 2016	95,179	150,918	590,779	45,246	300,836	1,182,958	193,949	234,738

*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: 7/20/2017		Delivery period							
		Aug-17	Aug-16	Sep-17	Sep-16	Oct-17	Oct-16	Nov-17	Nov-16
BNSF ³	COT grain units	0	58	no bids	52	no offer	74	no bids	23
	COT grain single-car ⁵	2	137-206	0	116-156	0	109	0	38-79
UP ⁴	GCAS/Region 1	no bids	no bids	no bids	12	no offer	11	n/a	n/a
	GCAS/Region 2	no bids	no bids	10	51	no offer	176	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.

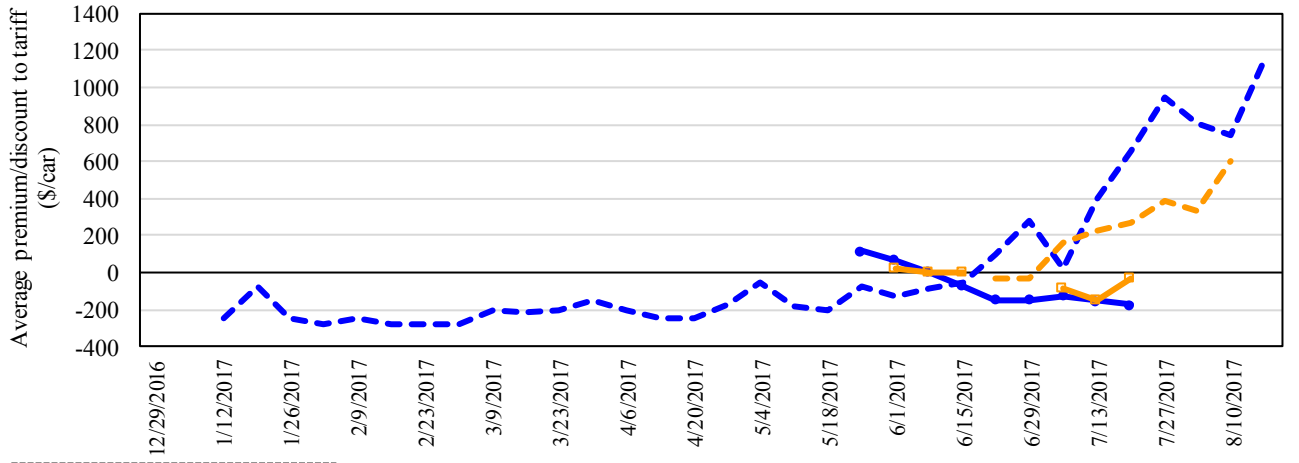
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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 August 2017, Secondary Market



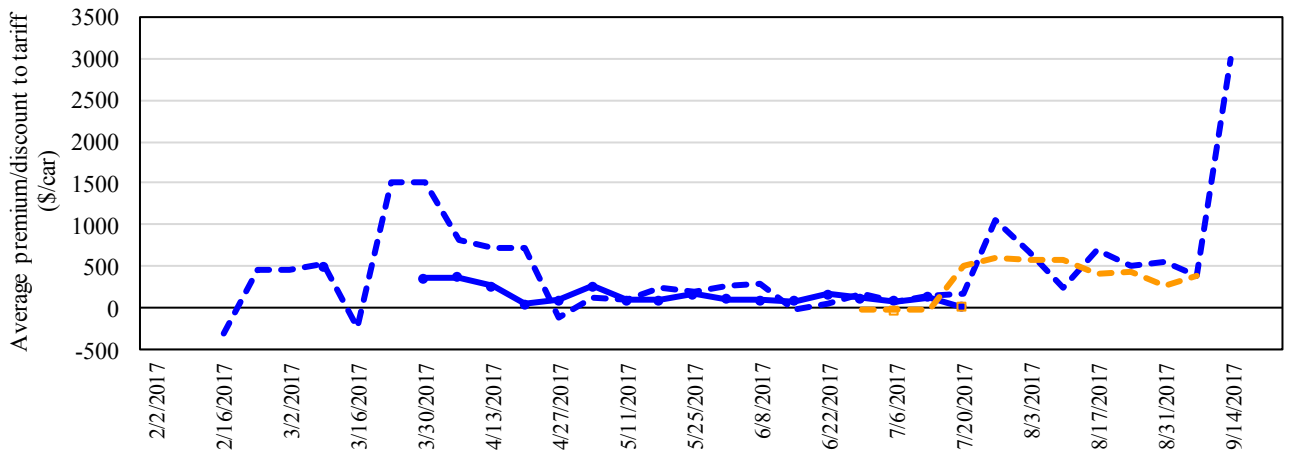
	7/20/2017	BNSF	UP
Non-Shuttle	\$0		-\$63
Shuttle	-\$142		-\$213

—●— Shuttle
- - - Shuttle prior 3-yr avg. (same week)
—■— Non-Shuttle
- - - Non-Shuttle prior 3-yr avg. (same week)

Average Non-shuttle bids/offers rose \$123 this week, and are \$56 below the peak.
 Average Shuttle bids/offers fell \$21 this week and are \$290 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 September 2017, Secondary Market



	7/20/2017	BNSF	UP
Non-Shuttle	n/a		\$0
Shuttle	\$67		-\$50

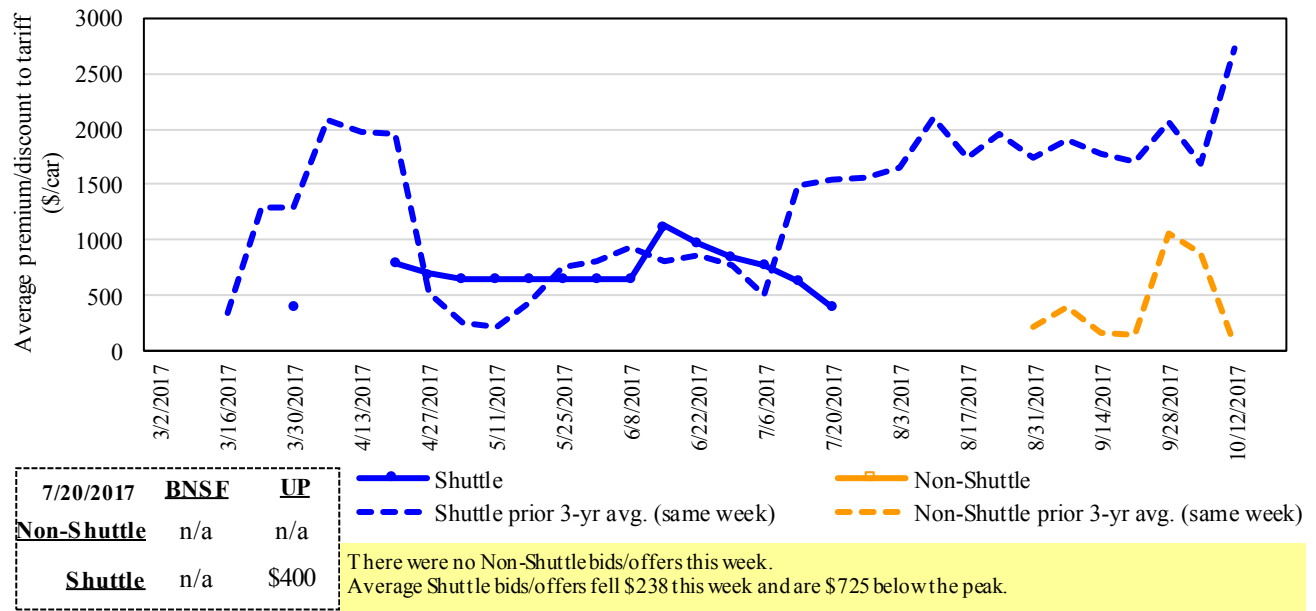
—●— Shuttle
- - - Shuttle prior 3-yr avg. (same week)
—■— Non-Shuttle
- - - Non-Shuttle prior 3-yr avg. (same week)

There were no Non-Shuttle bids/offers last week. Average Non-Shuttle bids/offers this week are at the peak.
 Average Shuttle bids/offers fell \$117 this week and are \$492 below 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 October 2017, Secondary Market



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

Table 6

Weekly Secondary Railcar Market (\$/car)¹

For the week ending:		Delivery period					
		Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
Non-shuttle	BNSF-GF	0	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 2016	(100)	n/a	n/a	n/a	n/a	n/a
	UP-Pool	(63)	0	n/a	n/a	n/a	n/a
	Change from last week	91	n/a	n/a	n/a	n/a	n/a
	Change from same week 2016	(75)	(25)	n/a	n/a	n/a	n/a
Shuttle	BNSF-GF	(142)	67	n/a	50	n/a	n/a
	Change from last week	21	(233)	n/a	(150)	n/a	n/a
	Change from same week 2016	(567)	(608)	n/a	n/a	n/a	n/a
	UP-Pool	(213)	(50)	400	100	n/a	n/a
	Change from last week	(63)	0	0	200	n/a	n/a
	Change from same week 2016	(350)	(225)	(50)	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

July, 2017	Origin region ³	Destination region ³	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ⁴
					metric ton	bushel ²	
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,883	\$51	\$39.06	\$1.06	8
	Grand Forks, ND	Duluth-Superior, MN	\$4,143	\$0	\$41.14	\$1.12	20
	Wichita, KS	Los Angeles, CA	\$7,050	\$0	\$70.01	\$1.91	1
	Wichita, KS	New Orleans, LA	\$4,540	\$89	\$45.97	\$1.25	8
	Sioux Falls, SD	Galveston-Houston, TX	\$6,786	\$0	\$67.39	\$1.83	5
	Northwest KS	Galveston-Houston, TX	\$4,816	\$98	\$48.79	\$1.33	8
	Amarillo, TX	Los Angeles, CA	\$5,021	\$136	\$51.21	\$1.39	8
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,681	\$101	\$37.55	\$0.95	1
	Toledo, OH	Raleigh, NC	\$6,061	\$0	\$60.19	\$1.53	0
	Des Moines, IA	Davenport, IA	\$2,258	\$21	\$22.63	\$0.57	5
	Indianapolis, IN	Atlanta, GA	\$5,191	\$0	\$51.55	\$1.31	4
	Indianapolis, IN	Knoxville, TN	\$4,311	\$0	\$42.81	\$1.09	0
	Des Moines, IA	Little Rock, AR	\$3,534	\$63	\$35.72	\$0.91	3
	Des Moines, IA	Los Angeles, CA	\$5,202	\$182	\$53.47	\$1.36	5
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,634	\$67	\$36.75	\$1.00	-1
	Toledo, OH	Huntsville, AL	\$5,051	\$0	\$50.16	\$1.37	0
	Indianapolis, IN	Raleigh, NC	\$6,178	\$0	\$61.35	\$1.67	0
	Indianapolis, IN	Huntsville, AL	\$4,529	\$0	\$44.98	\$1.22	0
	Champaign-Urbana, IL	New Orleans, LA	\$4,495	\$101	\$45.64	\$1.24	3
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,953	\$0	\$39.26	\$1.07	3
	Wichita, KS	Galveston-Houston, TX	\$4,171	\$0	\$41.42	\$1.13	8
	Chicago, IL	Albany, NY	\$5,492	\$0	\$54.54	\$1.48	0
	Grand Forks, ND	Portland, OR	\$5,611	\$0	\$55.72	\$1.52	2
	Grand Forks, ND	Galveston-Houston, TX	\$5,931	\$0	\$58.90	\$1.60	2
	Northwest KS	Portland, OR	\$5,812	\$160	\$59.30	\$1.61	7
Corn	Minneapolis, MN	Portland, OR	\$5,000	\$0	\$49.65	\$1.26	0
	Sioux Falls, SD	Tacoma, WA	\$4,960	\$0	\$49.26	\$1.25	0
	Champaign-Urbana, IL	New Orleans, LA	\$3,481	\$101	\$35.57	\$0.90	1
	Lincoln, NE	Galveston-Houston, TX	\$3,700	\$0	\$36.74	\$0.93	3
	Des Moines, IA	Amarillo, TX	\$3,895	\$79	\$39.46	\$1.00	4
	Minneapolis, MN	Tacoma, WA	\$5,000	\$0	\$49.65	\$1.26	0
	Council Bluffs, IA	Stockton, CA	\$4,740	\$0	\$47.07	\$1.20	2
	Sioux Falls, SD	Tacoma, WA	\$5,600	\$0	\$55.61	\$1.51	2
Soybeans	Minneapolis, MN	Portland, OR	\$5,650	\$0	\$56.11	\$1.53	3
	Fargo, ND	Tacoma, WA	\$5,500	\$0	\$54.62	\$1.49	2
	Council Bluffs, IA	New Orleans, LA	\$4,525	\$116	\$46.09	\$1.25	4
	Toledo, OH	Huntsville, AL	\$4,226	\$0	\$41.97	\$1.14	0
	Grand Island, NE	Portland, OR	\$5,460	\$164	\$55.85	\$1.52	3

¹A unit train refers to shipments of at least 25 cars. Shuttle train rates are generally 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 and soybeans 60 lbs./bu.

³Regional economic areas are defined by the Bureau of Economic Analysis (BEA)

⁴Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cn.ca, www.csx.com, www.up.com

Table 8

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

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change ⁴
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³	
Wheat	MT	Chihuahua, CI	\$7,459	\$0	\$76.21 \$2.07	0
	OK	Cuautitlan, EM	\$6,631	\$70	\$68.46 \$1.86	2
	KS	Guadalajara, JA	\$7,309	\$249	\$77.22 \$2.10	7
	TX	Salinas Victoria, NL	\$4,292	\$42	\$44.28 \$1.20	4
Corn	IA	Guadalajara, JA	\$8,187	\$204	\$85.74 \$2.18	2
	SD	Celaya, GJ	\$7,580	\$0	\$77.45 \$1.97	1
	NE	Queretaro, QA	\$7,909	\$138	\$82.23 \$2.09	1
	SD	Salinas Victoria, NL	\$6,635	\$0	\$67.79 \$1.72	1
	MO	Tlalnepantla, EM	\$7,268	\$135	\$75.64 \$1.92	1
	SD	Torreon, CU	\$7,180	\$0	\$73.36 \$1.86	1
Soybeans	MO	Bojay (Tula), HG	\$8,647	\$214	\$90.53 \$2.46	1
	NE	Guadalajara, JA	\$8,942	\$218	\$93.59 \$2.54	-1
	IA	El Castillo, JA	\$8,960	\$0	\$91.55 \$2.49	-5
	KS	Torreon, CU	\$7,489	\$147	\$78.02 \$2.12	2
Sorghum	NE	Celaya, GJ	\$7,164	\$184	\$75.07 \$1.91	-1
	KS	Queretaro, QA	\$7,608	\$87	\$78.62 \$2.00	1
	NE	Salinas Victoria, NL	\$6,213	\$70	\$64.19 \$1.63	1
	NE	Torreon, CU	\$6,607	\$136	\$68.89 \$1.75	0

¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle train rates are generally available for qualified shipments of 75-120 cars that meet railroad efficiency requirements.

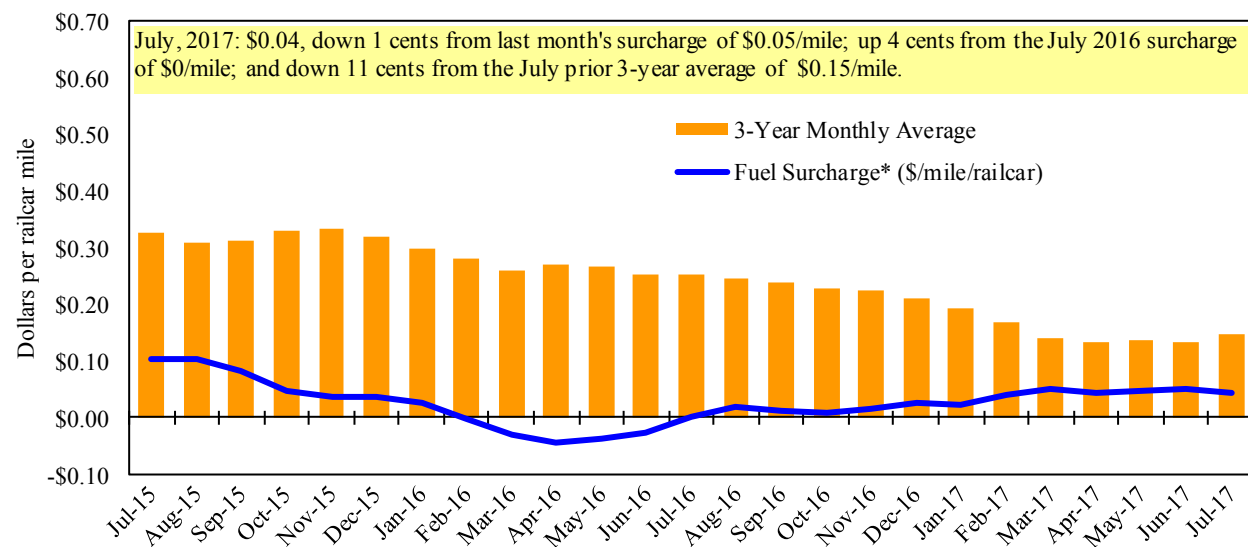
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009.

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.

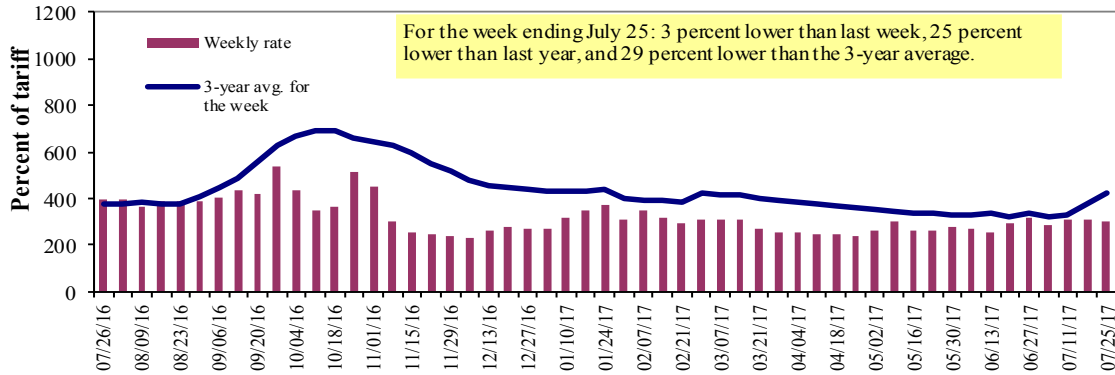
** CSX strike price changed from \$2.00/gal. to \$3.75/gal. on January 1, 2015.

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
Rate ¹	7/25/2017	353	303	298	225	275	275	183
	7/18/2017	363	308	308	230	243	243	185
\$/ton	7/25/2017	21.85	16.12	13.83	8.98	12.90	11.11	5.75
	7/18/2017	22.47	16.39	14.29	9.18	11.40	9.82	5.81
Current week % change from the same week:								
	Last year	-29	-29	-25	-22	-5	-5	-29
	3-year avg. ²	-29	-25	-29	-25	-14	-14	-29
Rate ¹	August	358	310	313	230	270	270	200
	October	469	415	413	325	403	403	269

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.

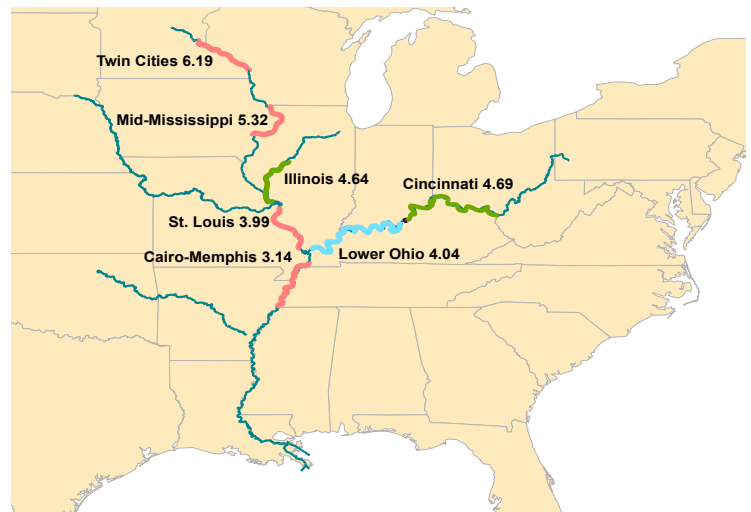
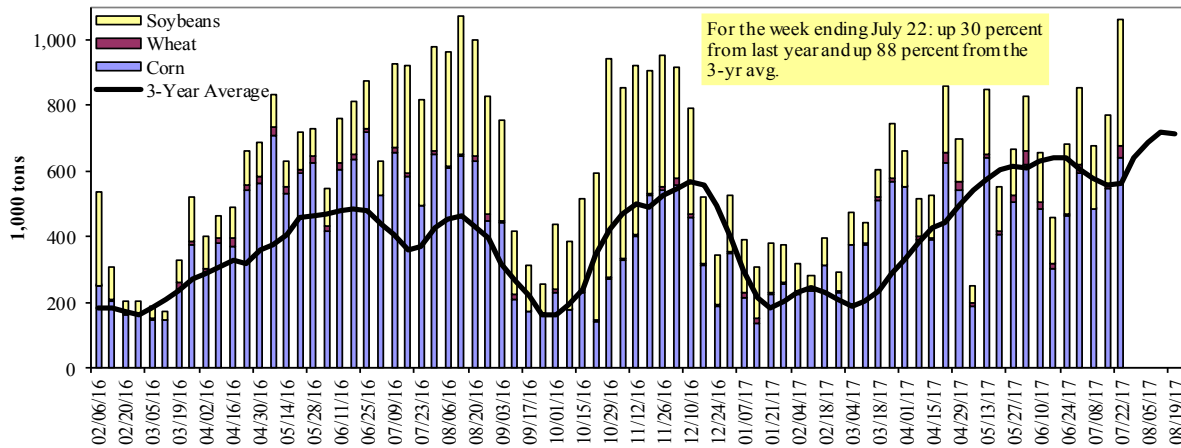


Figure 10

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 7/22/2017	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	323	14	179	8	524
Winfield, MO (L25)	458	6	223	3	690
Alton, IL (L26)	661	25	381	3	1,071
Granite City, IL (L27)	643	32	385	3	1,063
Illinois River (L8)	94	19	78	0	191
Ohio River (L52)	31	21	67	9	128
Arkansas River (L1)	0	38	1	0	39
Weekly total - 2017	674	91	453	12	1,230
Weekly total - 2016	522	66	355	3	947
2017 YTD ¹	14,355	1,386	7,013	176	22,930
2016 YTD	14,045	1,233	6,133	171	21,583
2017 as % of 2016 YTD	102	112	114	103	106
Last 4 weeks as % of 2016 ²	99	105	102	190	101
Total 2016	24,136	2,030	16,668	344	43,178

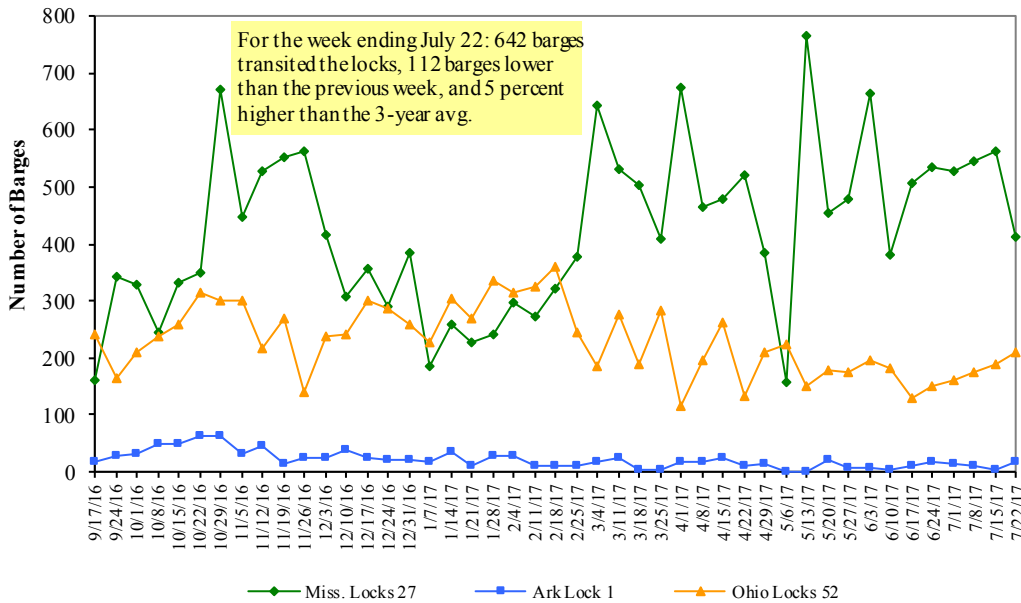
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2016.

Note: Total may not add exactly, due to rounding

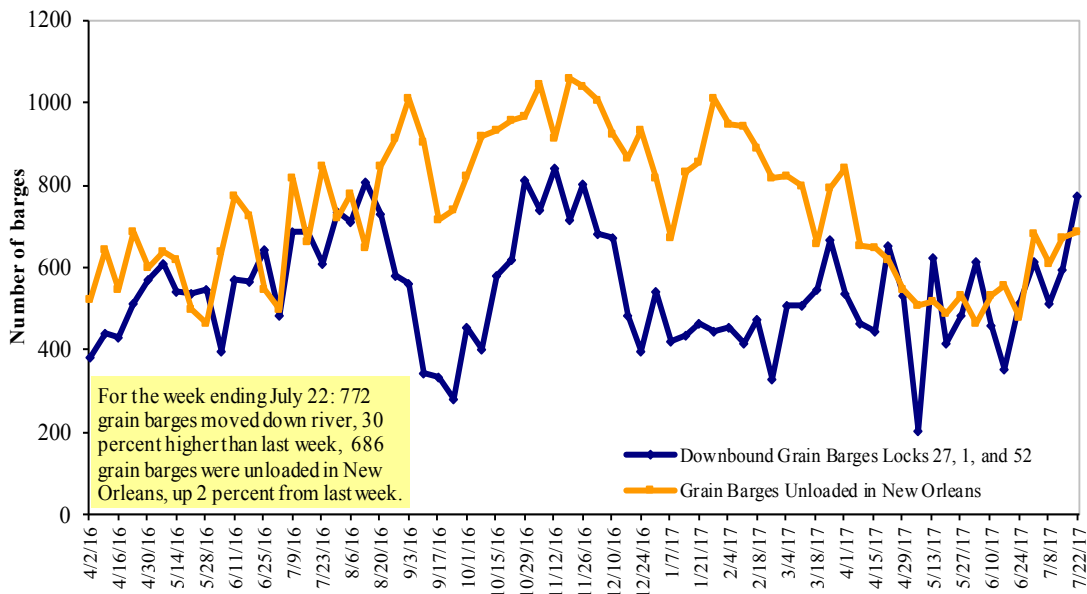
Source: U.S. Army Corps of Engineers

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 7/24/2017(US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.546	0.014	0.159
	New England	2.574	0.001	0.140
	Central Atlantic	2.685	0.007	0.204
	Lower Atlantic	2.441	0.021	0.135
II	Midwest ²	2.452	0.014	0.111
III	Gulf Coast ³	2.342	0.018	0.100
IV	Rocky Mountain	2.598	0.011	0.164
V	West Coast	2.788	0.017	0.125
	West Coast less California	2.678	0.022	0.142
	California	2.877	0.012	0.113
Total	U.S.	2.507	0.016	0.128

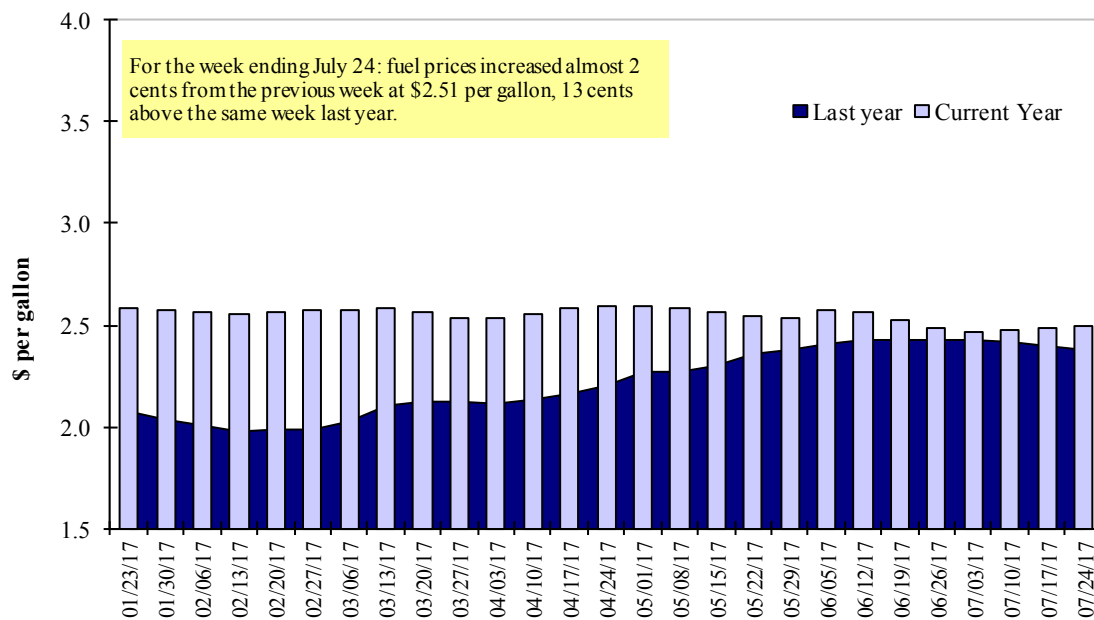
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
7/13/2017	1,684	714	1,462	1,680	128	5,666	6,896	6,715	19,278
This week year ago	2,275	607	2,238	1,206	113	6,439	10,340	7,124	23,903
Cumulative exports-marketing year²									
2016/17 YTD	1,632	295	989	762	76	3,754	49,334	53,649	106,736
2015/16 YTD	1,130	252	951	459	25	2,818	37,925	44,841	85,584
YTD 2016/17 as % of 2015/16	144	117	104	166	299	133	130	120	125
Last 4 wks as % of same period 2015/16	77	116	68	127	127	88	77	95	85
2015/16 Total	5,538	3,057	6,285	3,551	670	19,101	45,564	49,821	114,487
2014/15 Total	7,009	3,654	7,250	3,758	665	22,336	45,205	49,614	117,155

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 7/13/2017	Total Commitments ²			% change current MY from last MY	Exports ³ 3-year avg 2013-2015
	2017/18	2016/17	2015/16		
	Next MY	Current MY	Last MY		
	- 1,000 mt -				- 1,000 mt -
Mexico	1,956	13,674	12,555	9	11,204
Japan	554	11,762	10,318	14	11,284
Korea	1	5,639	2,966	90	3,931
Colombia	55	4,211	4,596	(8)	4,134
Peru	57	3,018	2,277	33	2,109
Top 5 Importers	2,622	38,304	32,712	17	32,662
Total US corn export sales	3,513	56,230	48,265	17	46,633
% of Projected	7%	99%	100%		
Change from prior week ²	212	467	345		
Top 5 importers' share of U.S. corn export sales	75%	68%	68%		70%
USDA forecast, July 2017	47,710	56,616	48,295	17	
Corn Use for Ethanol USDA forecast, July 2017	139,700	138,430	132,690	5	

¹ Based on FAS Marketing Year Ranking Reports for 2015/16 - 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/>. Total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales.

³ FAS 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 7/13/2017	Total Commitments ²			% change current MY from last MY	Exports ³ 3-yr avg. 2013-2015
	2017/18 Next MY	2016/17 Current MY	2015/16 Last MY		
		- 1,000 mt -			- 1,000 mt -
China	2,590	36,162	28,023	29	29,033
Mexico	383	3,739	3,300	13	3,295
Indonesia	17	2,327	1,942	20	2,065
Japan	220	2,226	2,231	(0)	1,994
Netherlands	0	1,788	1,515	18	1,644
Top 5 importers	3,211	46,242	37,011	25	38,032
Total US soybean export sales	5,493	60,364	51,965	16	48,389
% of Projected	9%	105%	99%		
Change from prior week ²	1,523	410	303		
Top 5 importers' share of U.S. soybean export sales	58%	77%	71%		79%
USDA forecast, July 2017	58,583	57,221	52,752	8	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2015/16 - 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/. The total commitments change (net sales) 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. (Carry over plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

For the week ending 7/13/2017	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2014-2016
	2017/18 Current MY	2016/17 Last MY		
		- 1,000 mt -		- 1,000 mt -
Japan	902	671	34	2,620
Mexico	1,356	766	77	2,743
Philippines	1,063	839	27	2,395
Brazil	93	263	(65)	862
Nigeria	505	369	37	1,254
Korea	765	487	57	1,104
China	391	260	51	1,623
Taiwan	352	262	34	768
Indonesia	338	165	106	726
Colombia	212	287	(26)	635
Top 10 importers	5,976	4,368	37	14,729
Total US wheat export sales	9,420	9,257	2	24,485
% of Projected	35%	32%		
Change from prior week ²	670	478		
Top 10 importers' share of U.S. wheat export sales	63%	47%		60%
USDA forecast, July 2017	26,567	28,747	(8)	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2015/16 - 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 (net sales) from prior week could include revisions from the previous 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 07/20/17	Previous Week ¹	Current Week as % of Previous	2017 YTD	2016 YTD	2017 YTD as % of 2016 YTD	Last 4-weeks as % of:		2016 Total
							Last Year	Prior 3-yr. avg.	
Pacific Northwest									
Wheat	258	314	82	8,744	6,779	129	108	130	12,325
Corn	263	195	135	8,871	6,368	139	57	79	12,009
Soybeans	70	69	100	4,739	4,589	103	n/a	n/a	14,447
Total	591	578	102	22,354	17,736	126	79	107	38,782
Mississippi Gulf									
Wheat	107	83	129	2,777	2,052	135	108	85	3,480
Corn	503	741	68	19,699	17,881	110	91	96	31,420
Soybeans	483	125	388	12,631	11,067	114	93	166	35,278
Total	1,094	948	115	35,106	31,000	113	93	107	70,178
Texas Gulf									
Wheat	106	132	80	4,210	2,311	182	106	151	6,019
Corn	48	0	n/a	455	595	76	39	97	1,669
Soybeans	0	0	n/a	0	92	0	n/a	n/a	1,105
Total	154	132	117	4,666	2,998	156	93	145	8,792
Interior									
Wheat	4	73	6	1,022	711	144	135	149	1,543
Corn	95	160	60	4,538	3,921	116	110	132	7,197
Soybeans	48	88	55	2,748	2,248	122	85	136	4,577
Total	148	321	46	8,309	6,880	121	104	135	13,317
Great Lakes									
Wheat	0	22	0	368	369	100	65	105	1,186
Corn	0	0	n/a	115	186	62	32	21	584
Soybeans	25	18	138	184	47	391	242	374	910
Total	25	40	62	666	601	111	75	87	2,681
Atlantic									
Wheat	0	0	n/a	37	188	20	0	0	315
Corn	0	0	n/a	5	14	38	n/a	0	294
Soybeans	2	13	16	936	934	100	52	107	2,269
Total	2	13	16	979	1,136	86	47	24	2,878
U.S. total from ports²									
Wheat	475	625	76	17,158	12,411	138	106	119	24,867
Corn	911	1,095	83	33,683	28,965	116	80	93	53,173
Soybeans	628	313	200	21,239	18,976	112	97	174	58,587
Total	2,014	2,033	99	72,080	60,352	119	89	111	136,627

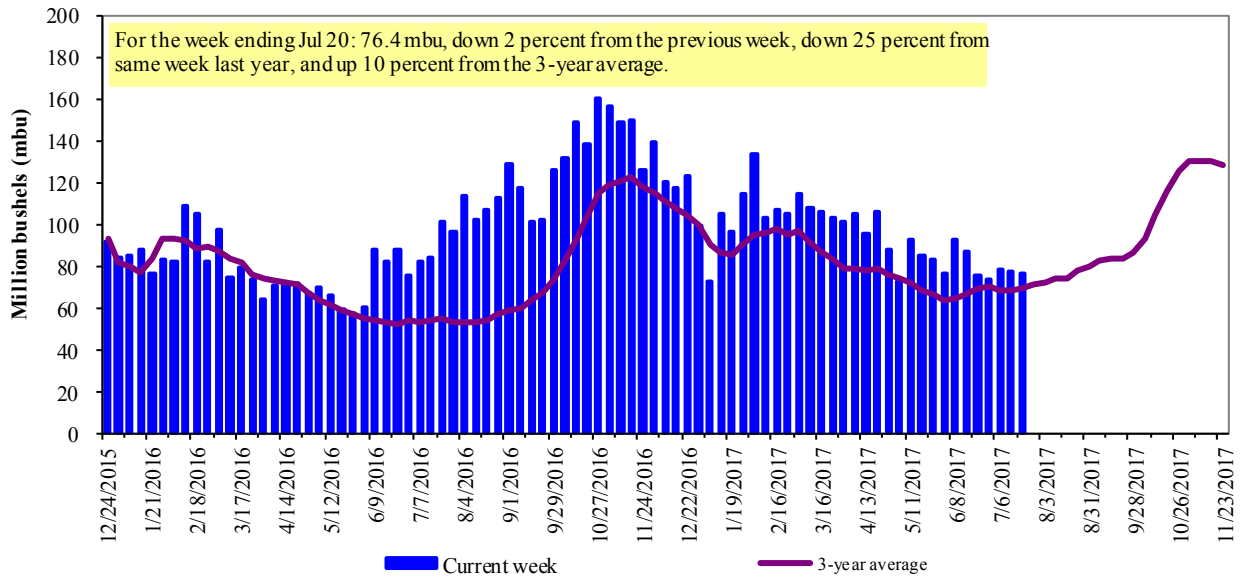
¹ Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 58 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2016.

Figure 14

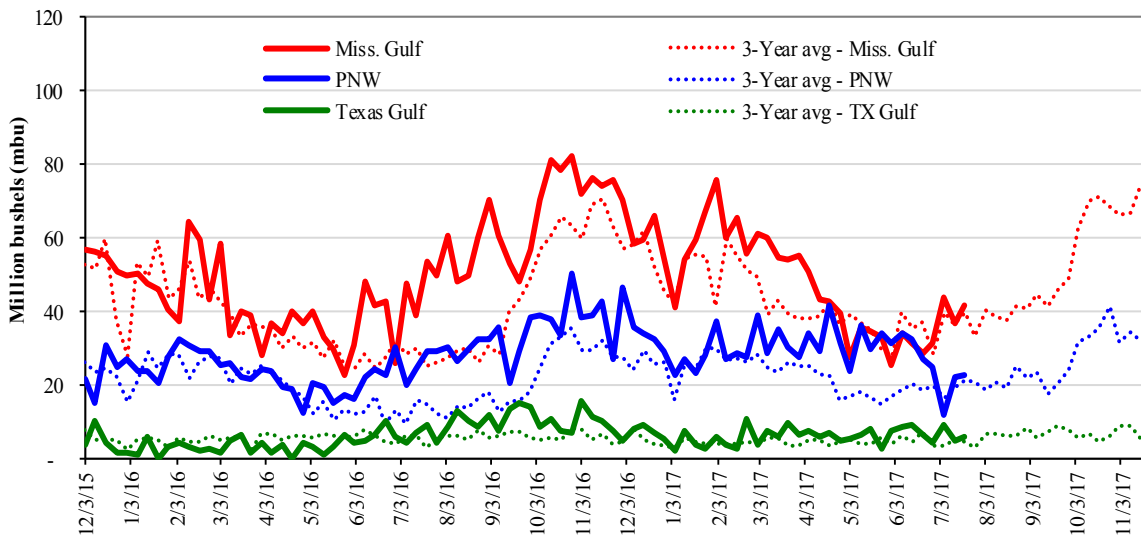
U.S. grain inspected for export (wheat, corn, and soybeans)



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 07/20/17 inspections (mbu):		Percent change from:				
Mississippi Gulf:	41.5	Last Week:	MS Gulf	TX Gulf	U.S. Gulf	PNW
PNW:	22.4	Last Year (same week):	up 13	up 19	up 14	up 3
Texas Gulf:	5.8	3-yr avg (4-wk. mov. Avg):	down 22	down 34	down 24	down 23
			up 15	up 42	up 18	up 18

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)
¹The 3-year average is based on a 4-week running average

Ocean Transportation

Table 17

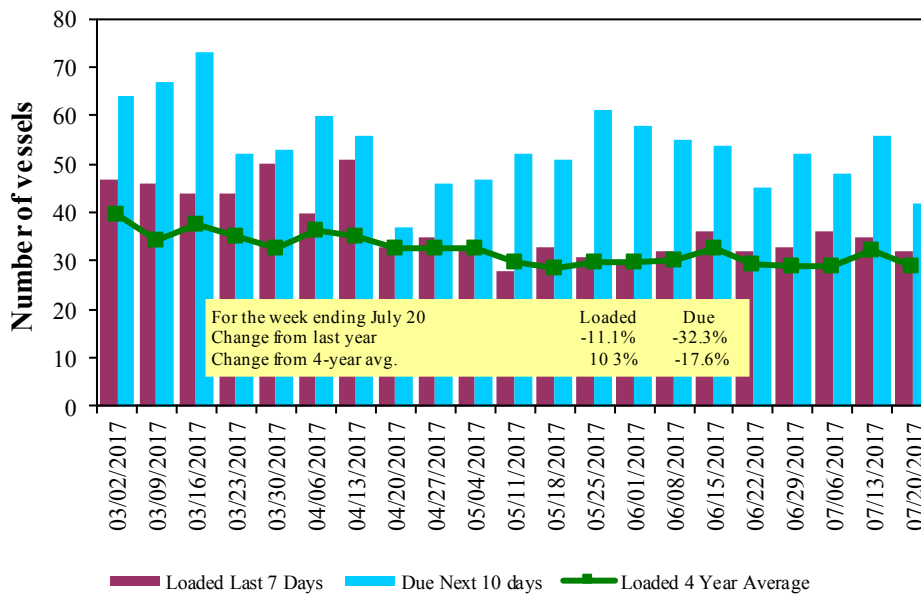
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/20/2017	38	32	42	n/a	n/a
7/13/2017	34	35	56	n/a	n/a
2016 range	(21..62)	(27..55)	(40..87)	(6..27)	n/a
2016 avg	43	40	62	15	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

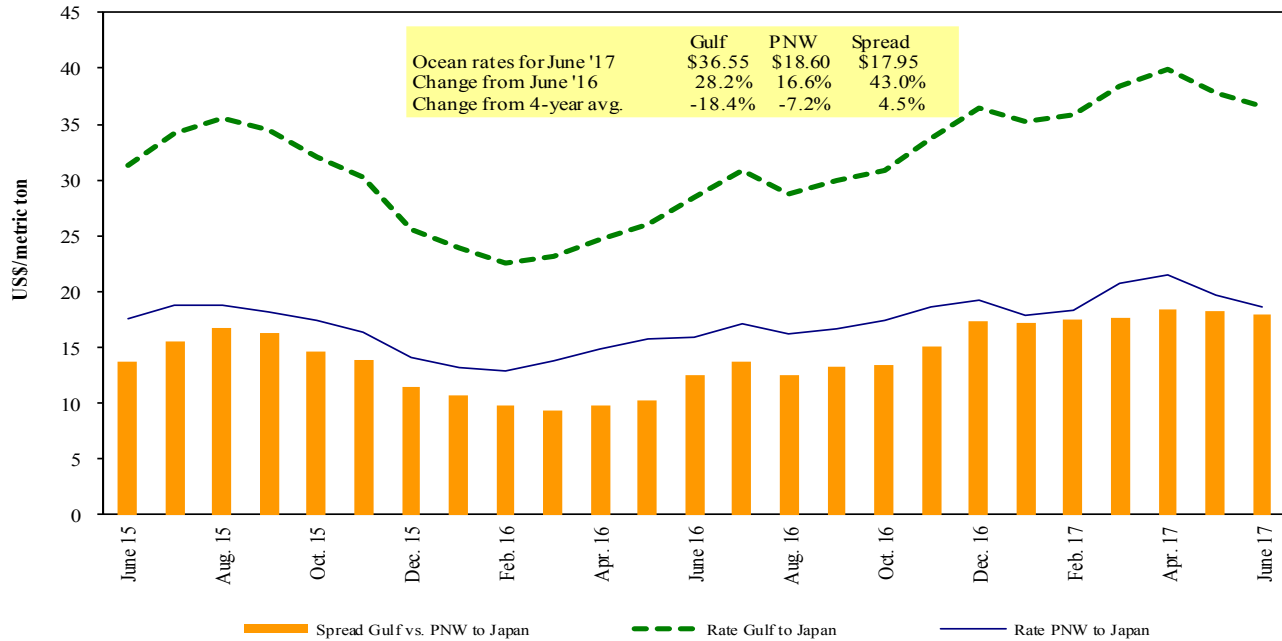
U.S. Gulf Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA
¹U.S. Gulf includes Mississippi, Texas, and East Gulf

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Ocean Freight Rates For Selected Shipments, Week Ending 07/22/2017

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Aug 1/5	60,000	33.75
U.S. Gulf	China	Heavy Grain	Jul 20/30	60,000	32.95
U.S. Gulf	China	Heavy Grain	Jul 15/25	60,000	33.65
U.S. Gulf	Cote d'Ivoire	Rice	Jun 19/29	6,000	93.33*
U.S. Gulf	Ghana	Rice	Jun 9/19	6,000	341.67*
U.S. Gulf	Ghana	Soybean Meal	Jun 9/19	5,000	86.75*
U.S. Gulf	Haiti	Wheat	Jul 3/13	20,000	80.00*
U.S. Gulf	Jordan	Wheat	Jun 19/28	50,000	36.00
PNW	Taiwan	Wheat	Jun 9/23	48,425	29.70
Brazil	China	Heavy Grain	Aug 1/10	60,000	27.25
Brazil	China	Heavy Grain	Jul 15/30	60,000	22.75
Brazil	China	Heavy Grain	Jul 1/10	60,000	22.00
Brazil	China	Heavy Grain	Jul 1/5	60,000	22.25
Brazil	China	Heavy Grain	Jun 20/30	60,000	24.00
Brazil	China	Heavy Grain	Jun 10/20	60,000	24.75
Brazil	China	Heavy Grain	May 20/30	60,000	25.50
Brazil	Iran	Heavy Grain	Jun 15/18	70,000	22.75
EC S. America	China	Heavy Grain	May 20/30	60,000	29.75

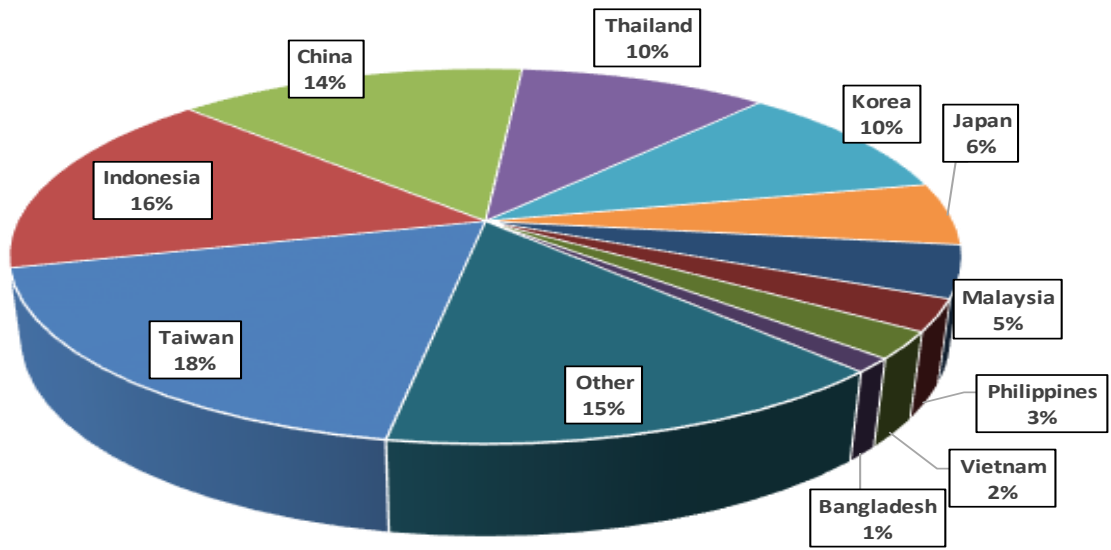
Rates shown are per metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicated; op = option

*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 2015, containers were used to transport 8 percent of total U.S. waterborne grain exports. Approximately 64 percent of U.S. waterborne grain exports in 2015 went to Asia, of which 12 percent were moved in containers. Approximately 94 percent of U.S. waterborne containerized grain exports were destined for Asia.

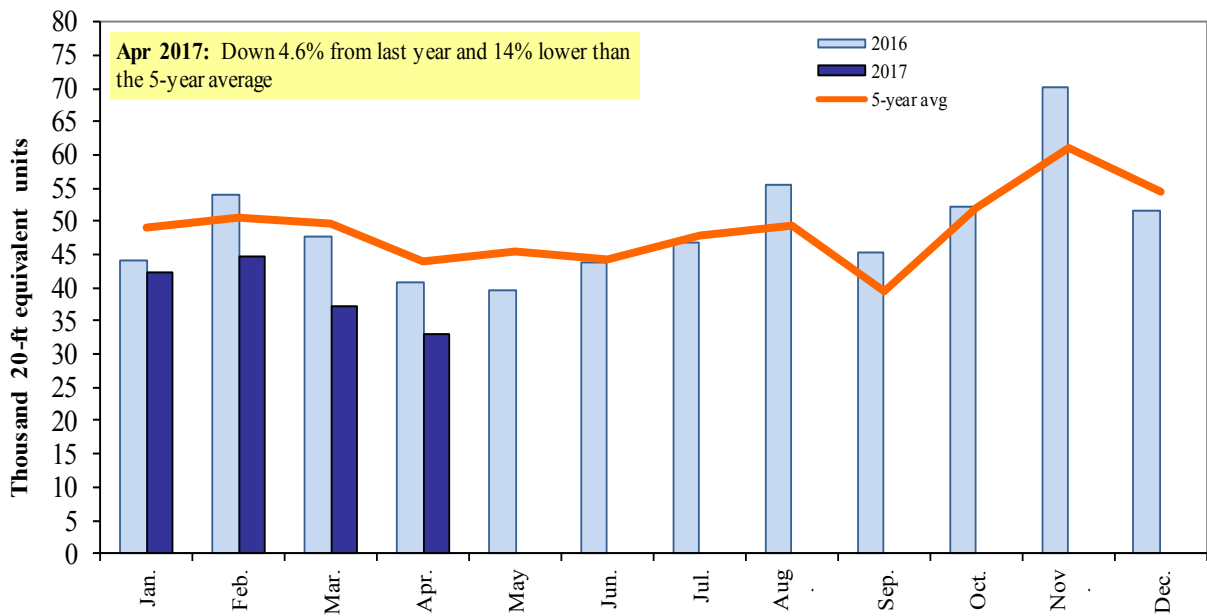
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-April 2017



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, 110220, 110290, 120100, 120810, 230210, 230310, 230330, and 230990.

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