United States Department of Agriculture

Grain Transportation Report

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

Contact Us

November 8, 2018

Contents

The next release is November 15, 2018

WEEKLY HIGHLIGHTS

Corn Inspections Push Total Grain Exports Higher

For the week ending November 1, **total inspections of grain** (corn, wheat, and soybeans), for export from all major U.S. export regions, reached 2.84 million metric tons (mmt); up 15 percent from the previous week, down 13 percent from last year, and down 17 percent from the 3-year average. Grain inspections increased as corn inspections jumped 80 percent from the previous week. Corn inspections increased to destinations in Asia and Latin America. Soybean and wheat inspections, however, were down 7 and 17 percent, respectively, from the previous week. Compared to last week, grain inspections increased 40 percent in the Mississippi Gulf but decreased 13 percent in the Pacific Northwest.

Diesel Fuel Prices Drop for Third Consecutive Week

During the week ending November 5, U.S. on-highway **diesel fuel prices** decreased 1.7 cents per gallon to $3.338. Prices have decreased 5.6 cents over the past 3 weeks, partially reclaiming the accumulated 18.7 cents increase in September and much of October. The Energy Information Administration reported, crude oil spot prices averaged $81 per barrel (b) in October, up $2/b from September. Despite the increase in monthly average prices, spot prices declined from $85/b on October 1 to $75/b on October 31, relieving pressure on diesel fuel prices.

Slower Pace of Grain Barge Tonnages Drags Down Barge Freight Rates

As of November 3, year-to-date (YTD) grain barge tonnages, on the locking portions of the Mississippi, Ohio, and Arkansas rivers, were 31.7 million tons, 7 percent lower than last year. Significantly reduced demand from China and poor navigation conditions have contributed to the reduction in the volumes of barged grain. Year-To-Date corn barge shipments were up 5 percent compared to last year. However, this was not enough to offset the 20 percent decline in YTD soybean shipments, resulting in lower overall demand for barge services. As of November 6, barge spot rates from major interior shipping locations were 16 to 28 percent lower than the 5-year average.

Snapshots by Sector

Export Sales

For the week ending October 25, **unshipped balances** of wheat, corn, and soybeans totaled 31.4 mmt, down 10 percent from the same time last year. Net weekly **wheat export sales** were .583 mmt, up 32 percent from the previous week. Net **corn export sales** were .395 mmt, up 13 percent from the previous week. Net **soybean export sales** were .396 mmt, down 86 percent from the past week.

Rail

U.S. Class I railroads originated 23,285 **grain carloads** for the week ending October 27; up 4 percent from the previous week, up 3 percent from last year, and down 4 percent from the 3-year average.

Average November shuttle **secondary railcar** bids/offers per car were $200 below tariff for the week ending November 1, down $225 from last week, and $45 higher than last year. Average non-shuttle secondary railcar bids/offers were $0, down $13 from last week, and $6 higher than last year.

Barge

For the week ending November 3, **barge grain movements** totaled 857,677 tons, 115 percent higher than the previous week and down 11 percent from the same period last year.

For the week ending November 3, 540 grain barges **moved down river**, 298 more than the previous week. There were 878 grain barges **unloaded in New Orleans**, 29 percent higher than the previous week.

Ocean

For the week ending November 1, 38 **ocean-going grain vessels** were loaded in the Gulf, 15 percent more than the same period last year. Fifty-five vessels are expected to be loaded within the next 10 days, unchanged from the same period last year.

For the week ending November 1, the ocean freight rate for shipping bulk grain, from the Gulf to Japan, was $49.00 per metric ton, 1 percent less than the previous week. The cost of shipping, from the PNW to Japan, was $27.25 per metric ton, 1 percent less than the previous week.

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Web: **http://dx.doi.org/10.9752/TS056.11-08-2018**

Feature Article/Calendar

Transportation and Total Landed Costs Down for Third Quarter

During the third quarter of 2018, transportation costs and landed costs for shipping corn and soybeans, to Japan from Minneapolis, MN, decreased from the second quarter. Year-to-year transportation costs for shipping each grain increased due to higher shipping rates for barges and ocean vessels. Year-to-year landed costs (farm value plus transportation costs) for corn were also up due to increased transportation costs and higher farm values. Year-to-year soybean landed costs were down, during this period, due primarily to lower trucking rates and farm values.

U.S. Gulf Costs: Quarter-to-quarter transportation costs for shipping grain from Minneapolis, MN, through the U.S. Gulf to Japan, during the third quarter of 2018, were down 3 percent for corn and soybeans. Lower truck and barge rates caused the decrease in overall transportation costs. U.S. Gulf ocean freight rates increased 3 percent from the second quarter (*see table 1*). Year-to-year transportation costs increased 16 percent due to a large increase in barge and ocean rates. U.S. Gulf ocean rates increased 15 percent, from last year, due to strong iron ore trade and steady coal (see *Grain Transportation Report* ***(GTR) dated 10/25/18*****).** Barge rates for shipping grain to the Gulf decreased 3 percent from quarter to quarter, but year-to-year barge rates jumped 35 percent as high harvest expectations increased demand for barge services. Truck rates decreased 13 percent from quarter to quarter and 19 percent from year to year, as trucking activity and diesel prices decreased.

Total landed costs, for shipping grain from Minneapolis, MN, to Japan through the U.S. Gulf, decreased 5 percent for corn and 8 percent for soybeans, from quarter to quarter, ranging from $218 to $407 per metric ton (mt) (*see table 1*). Quarter-to-quarter landed costs were driven down due to lower transportation costs and lower farm values. Year-to-year landed costs for shipping grain, through the Gulf to Japan, increased 8 percent for corn due to higher barge and ocean rates, coupled with increased farm values. Soybean total landed costs, however, decreased slightly due to a drop in truck rates and farm values. The farm value of corn decreased 7 percent from the previous quarter but increased 3 percent from last year. The farm value of soybeans decreased 9 percent from the second quarter and 6 percent from last year. The transportation cost for shipping corn, from the Gulf to Japan, accounted for 42 percent of the total landed cost during the third quarter, remaining above the past quarter and last year. The transportation cost share of the total landed cost for soybeans was 23 percent, also above the previous quarter and last year (*see table 1*).

Table 1: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. Gulf

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	3rdQtr 17	2ndQtr 18	3rdQtr 18	Yr. to Yr.	Qtr to Qtr	3rdQtr 17	2ndQtr 18	3rdQtr 18	Yr. to Yr.	Qtr to Qtr
Truck	13.02	12.06	10.54	-19.05	-12.60	13.02	12.06	10.54	-19.05	-12.60
Barge	26.99	38.81	36.31	34.55	-6.43	26.99	38.81	36.31	34.53	-6.44
Ocean	39.23	43.68	45.13	15.04	3.32	39.23	43.68	45.13	15.04	3.32
Total Transportation Cost	79.24	94.55	91.98	16.08	-2.71	79.24	94.55	91.98	16.08	-2.72
Farm Value [2]	122.83	135.29	126.37	2.88	-6.59	333.76	348.21	315.38	-5.51	-9.43
Total Landed Cost	202.07	229.84	218.35	8.06	-5.00	413.00	442.76	407.36	-1.37	-8.00
Transportation % Landed Cost	39.21	41.14	42.13			19.19	21.35	22.58		

Table 2: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. PNW

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	3rdQtr 17	2ndQtr 18	3rdQtr 18	Yr. to Yr.	Qtr to Qtr	3rdQtr 17	2ndQtr 18	3rdQtr 18	Yr. to Yr.	Qtr to Qtr
Truck	13.02	12.06	10.54	-19.05	-12.60	13.02	12.06	10.54	-19.05	-12.60
Rail[1]	49.65	49.65	49.65	0.00	0.00	56.11	56.11	56.61	0.89	0.89
Ocean	20.71	24.37	24.97	20.57	2.46	20.71	24.37	24.97	20.57	2.46
Total Transportation Cost	83.38	86.08	85.16	2.13	-1.07	89.84	92.54	92.12	2.54	-0.45
Farm Value [2]	122.83	135.29	126.37	2.88	-6.59	333.76	348.21	315.38	-5.51	-9.43
Total Landed Cost	206.21	221.37	211.53	2.58	-4.45	423.60	440.75	407.50	-3.80	-7.54
Transportation % Landed Cost	40.43	38.89	40.26			21.21	21.00	22.61		

Source: USDA/AMS/TMP

[1] Rail tariffs include fuel surcharges and revisions for heavy axle rail cars 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, Agricultural Prices

Pacific Northwest (PNW) Costs: Transportation costs for shipping grain from Minneapolis, MN, to Japan, via the PNW, decreased 1 percent for corn and soybeans from quarter to quarter, primarily because of lower trucking rates (*see table 2*). Year-to-year transportation costs, however, were up 2 percent for corn and up 3 percent for soybeans, mainly due to higher ocean rates. Rail rates for shipping grain to the PNW were unchanged for corn, but up 1 percent for soybeans from the second quarter and from the same time last year. PNW ocean rates increased 2 percent from quarter to quarter and 21 percent from year to year.

Total landed costs for shipping grain from Minneapolis, MN, to Japan, through the PNW, decreased 4 percent for corn and 8 percent for soybeans, ranging from $212 to $407 per mt (*see table 2*). Quarter-to-quarter landed costs, for shipping corn through the PNW, decreased primarily due to lower trucking rates and farm values. Landed costs for shipping corn through the PNW to Japan averaged $212 per mt. Year-to-year landed costs for shipping grain through the PNW increased 3 percent for corn, but decreased 4 percent for soybeans. The transportation costs for corn shipped through the PNW to Japan accounted for about 40 percent of the total landed costs during the third quarter, equal to last year but above the previous quarter. The third quarter transportation costs, for soybeans shipped through the PNW to Japan, accounted for 23 percent of the total landed costs, above the previous quarter and last year.

Outlook: According to USDA's October *World Agricultural Supply and Demand Estimates* (WASDE), 2018/19 corn exports are projected to increase 3 percent from the September estimate and 2 percent from last year. The increase is partially due to steady projected corn production and a slight increase in projected yield per acre. *WASDE*'s October 2018/19 soybean export projections are unchanged from the September estimate and 2 percent below last year. According to USDA, soybean production for 2018/19 is estimated to increase 7 percent above 2017/18. *Johnny.Hill@ams.usda.gov*

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
For the week ending		Unit Train	Shuttle		Gulf	Pacific
11/07/18	224	282	212	199	219	193
10/31/18	225	282	222	264	220	195

[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

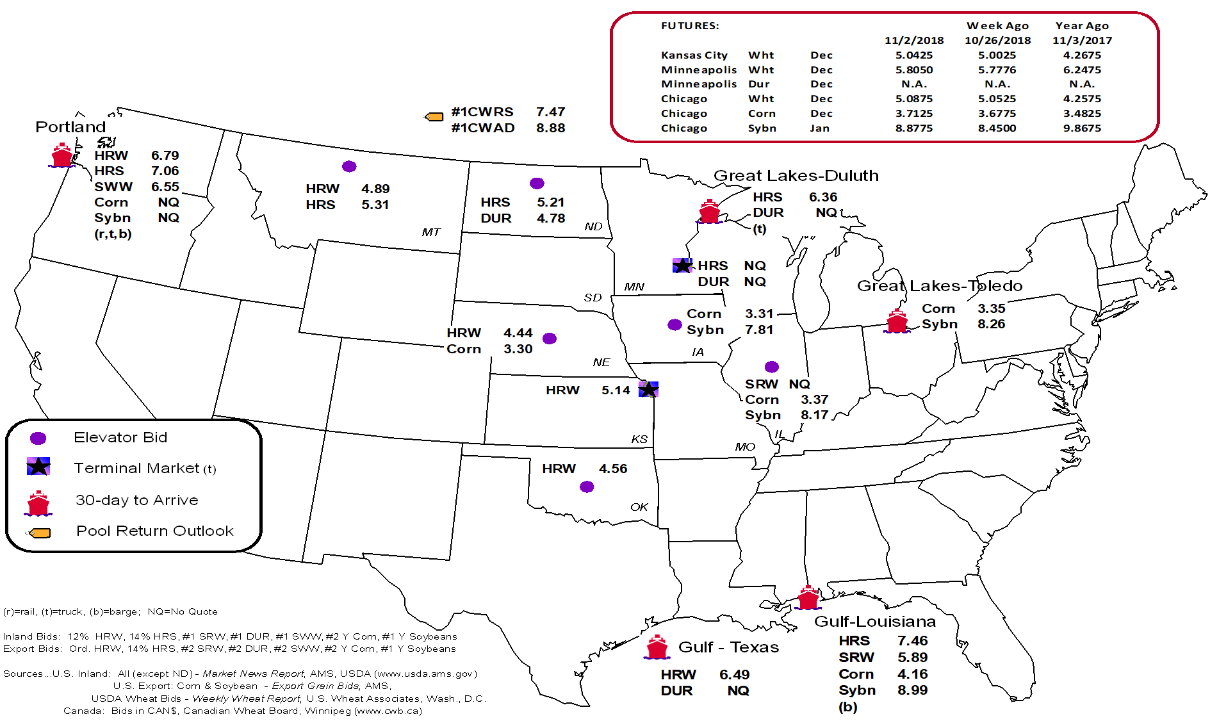
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	11/2/2018	10/26/2018
Corn	IL--Gulf	-0.79	-0.74
Corn	NE--Gulf	-0.86	-0.80
Soybean	IA--Gulf	-1.18	-1.17
HRW	KS--Gulf	-1.35	-1.45
HRS	ND--Portland	-1.85	-1.86

Note: nq = no quote; n/a = not available
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]
10/31/2018[p]	505	284	5,865	328	6,982	10/27/2018	3,113
10/24/2018[r]	1,032	373	5,094	541	7,040	10/20/2018	2,823
2018 YTD[r]	20,328	41,461	271,043	17,219	350,051	2018 YTD	105,911
2017 YTD[r]	25,607	67,638	240,577	18,343	352,165	2017 YTD	102,590
2018 YTD as % of 2017 YTD	79	61	113	94	99	% change YTD	103
Last 4 weeks as % of 2017[2]	52	69	66	40	62	Last 4wks % 2017	140
Last 4 weeks as % of 4-year avg.[2]	39	50	64	37	56	Last 4wks % 4 yr	136
Total 2017	28,796	76,545	289,178	21,999	416,518	Total 2017	119,661
Total 2016	36,925	88,035	299,604	29,007	453,571	Total 2016	92,982

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2017 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 Grupo Mexico.

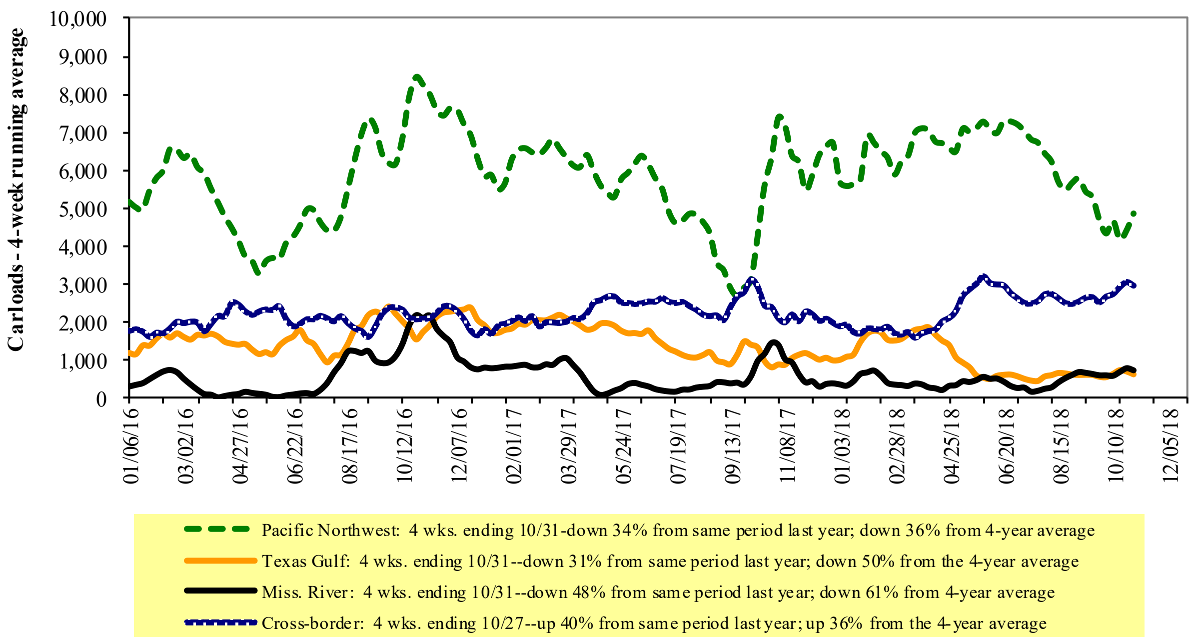
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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: 10/27/2018	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	2,317	2,382	12,872	1,109	4,605	23,285	4,952	5,266
This week last year	2,191	3,102	10,242	1,427	5,627	22,589	4,173	5,469
2018 YTD	82,960	109,865	530,702	40,577	223,853	987,957	172,215	201,373
2017 YTD	72,596	118,176	475,851	41,979	244,391	952,993	163,091	200,525
2018 YTD as % of 2017 YTD	114	93	112	97	92	104	106	100
Last 4 weeks as % of 2017*	101	90	106	77	86	97	103	89
Last 4 weeks as % of 3-yr avg.**	87	78	103	87	77	91	94	99
Total 2017	89,465	142,745	578,964	50,223	289,574	1,150,971	198,416	244,766

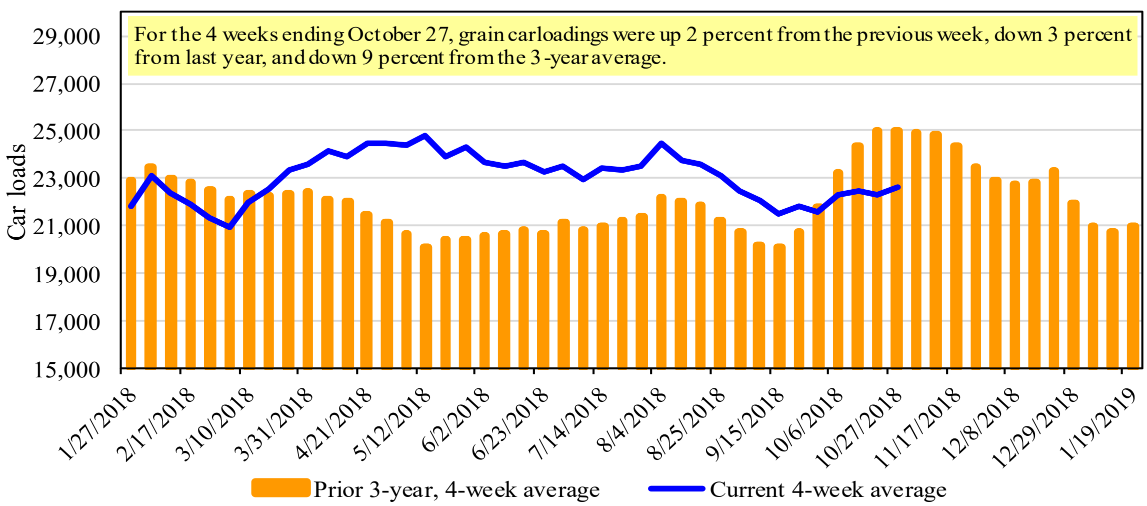
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**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: 11/1/2018		Nov-18	Nov-17	Dec-18	Dec-17	Jan-19	Jan-18	Feb-19	Feb-18
		Delivery period							
BNSF[3]	COT grain units	0	no bids	0	no bids	0	no bids	0	no bids
	COT grain single-car[5]	12	0	1	no bids	0	no bids	0	no bids
UP[4]	GCAS/Region 1	no offer	no bids	no offer	no bids	no offer	no bids	n/a	n/a
	GCAS/Region 2	no offer	no bids	no bid	no bids	no offer	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.

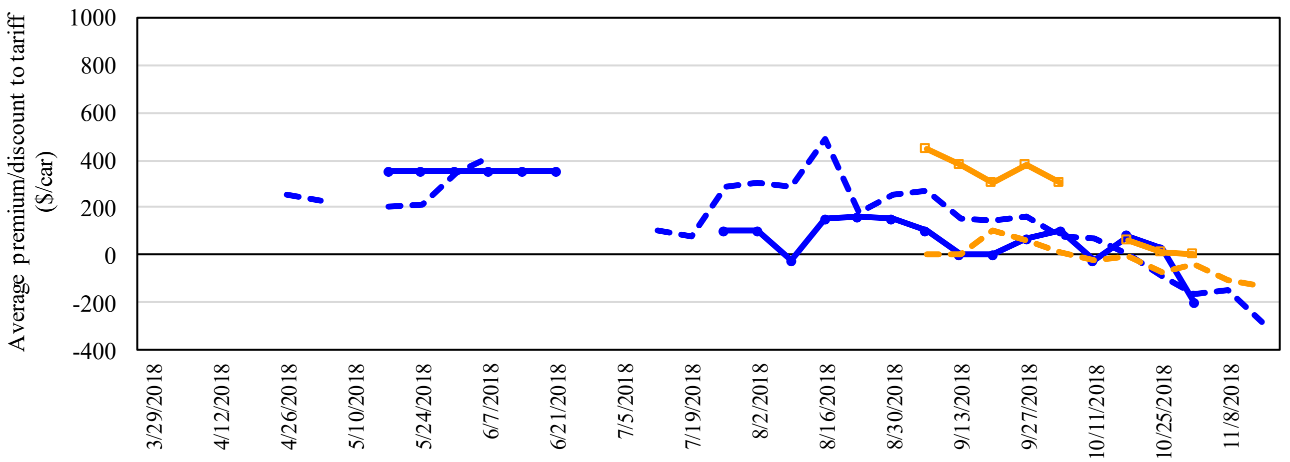
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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 November 2018, Secondary Market

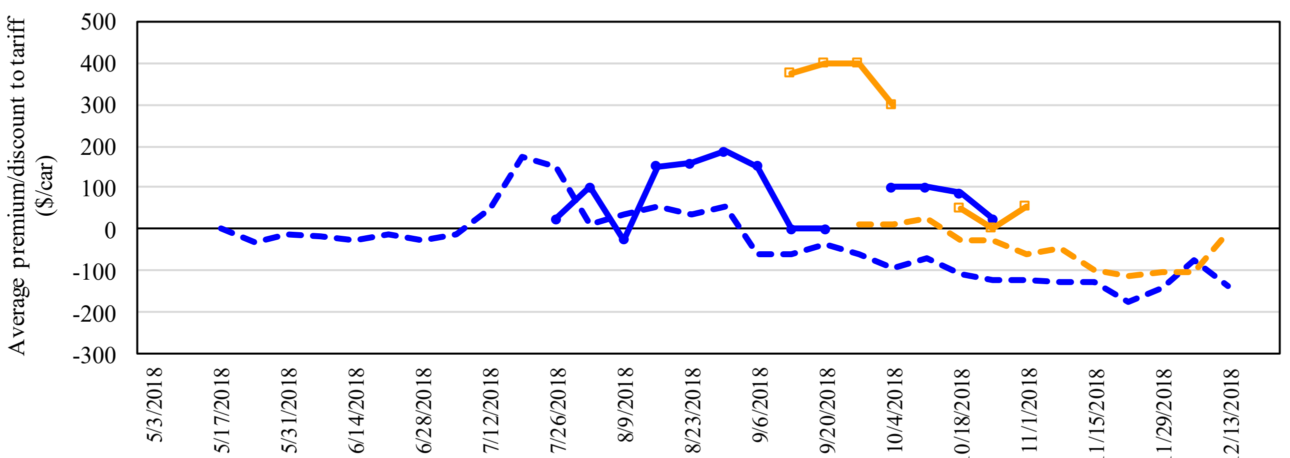


11/1/2018	BNSF	UP
Non-Shuttle	$0	n/a
Shuttle	-$200	n/a

Average Non-shuttle bids/offers fell $13 this week, and are $450 below the peak.
Average Shuttle bids/offers fell $225 this week and are $550 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 December 2018, Secondary Market



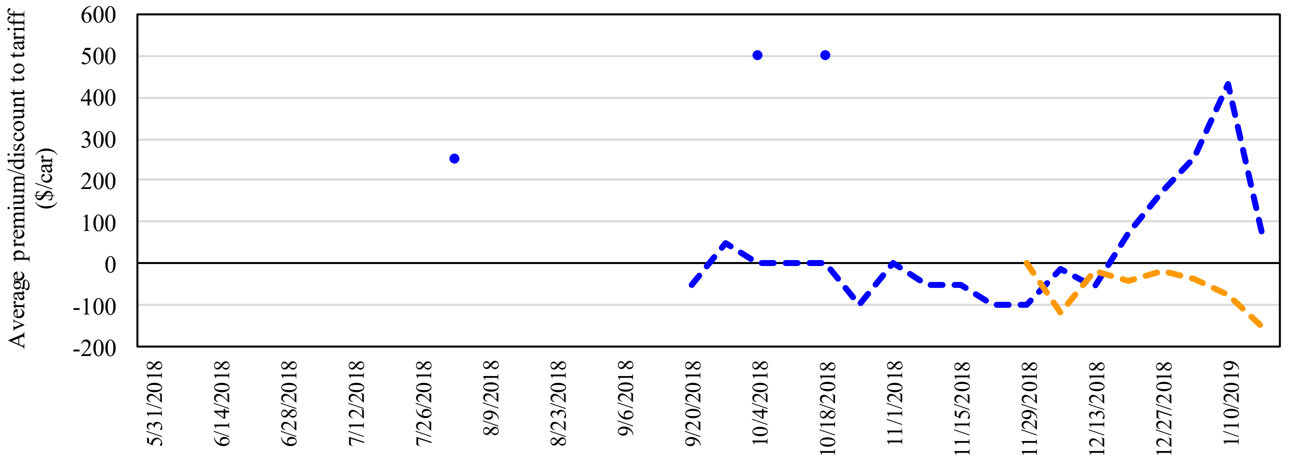
11/1/2018	BNSF	UP
Non-Shuttle	$0	$113
Shuttle	n/a	n/a

Average Non-shuttle bids/offers rose $56 this week, and are $344 below the peak.
There were no Shuttle bids/offers this week.

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 January 2019, Secondary Market



11/1/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	n/a

There were no Non-Shuttle bids/offers this week.
There were no Shuttle bids/offers this week.

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: 11/1/2018	Delivery period					
		Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Non-shuttle	**BNSF-GF**	**0**	**0**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	0	0	n/a	n/a	n/a	n/a
	Change from same week 2017	0	0	n/a	n/a	n/a	n/a
	UP-Pool	**n/a**	**113**	**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 2017	n/a	138	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**(200)**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	(200)	n/a	n/a	n/a	n/a	n/a
	Change from same week 2017	27	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**n/a**	**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 2017	n/a	n/a	n/a	n/a	n/a	n/a

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

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from James B. Joiner Co., Tradewest Brokerage Co.

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

Table 7

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

November, 2018	Origin region[3]	Destination region[3]	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[4]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,983	$121	$40.76	$1.11	4
	Grand Forks, ND	Duluth-Superior, MN	$4,268	$0	$42.38	$1.15	3
	Wichita, KS	Los Angeles, CA	$7,175	$0	$71.25	$1.94	2
	Wichita, KS	New Orleans, LA	$4,540	$214	$47.21	$1.28	2
	Sioux Falls, SD	Galveston-Houston, TX	$6,911	$0	$68.63	$1.87	2
	Northwest KS	Galveston-Houston, TX	$4,816	$234	$50.15	$1.36	2
	Amarillo, TX	Los Angeles, CA	$5,121	$326	$54.09	$1.47	5
Corn	Champaign-Urbana, IL	New Orleans, LA	$4,000	$241	$42.12	$1.07	4
	Toledo, OH	Raleigh, NC	$6,581	$0	$65.35	$1.66	4
	Des Moines, IA	Davenport, IA	$2,258	$51	$22.93	$0.58	1
	Indianapolis, IN	Atlanta, GA	$5,646	$0	$56.07	$1.42	4
	Indianapolis, IN	Knoxville, TN	$4,704	$0	$46.71	$1.19	4
	Des Moines, IA	Little Rock, AR	$3,609	$150	$37.33	$0.95	2
	Des Moines, IA	Los Angeles, CA	$5,327	$438	$57.24	$1.45	3
Soybeans	Minneapolis, MN	New Orleans, LA	$4,131	$246	$43.46	$1.18	16
	Toledo, OH	Huntsville, AL	$5,459	$0	$54.21	$1.48	3
	Indianapolis, IN	Raleigh, NC	$6,698	$0	$66.51	$1.81	4
	Indianapolis, IN	Huntsville, AL	$4,937	$0	$49.03	$1.33	4
	Champaign-Urbana, IL	New Orleans, LA	$4,745	$241	$49.52	$1.35	2
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$4,078	$0	$40.50	$1.10	3
	Wichita, KS	Galveston-Houston, TX	$4,296	$0	$42.66	$1.16	3
	Chicago, IL	Albany, NY	$5,896	$0	$58.55	$1.59	4
	Grand Forks, ND	Portland, OR	$5,736	$0	$56.96	$1.55	2
	Grand Forks, ND	Galveston-Houston, TX	$6,056	$0	$60.14	$1.64	2
	Northwest KS	Portland, OR	$5,912	$384	$62.52	$1.70	4
Corn	Minneapolis, MN	Portland, OR	$5,180	$0	$51.44	$1.31	4
	Sioux Falls, SD	Tacoma, WA	$5,140	$0	$51.04	$1.30	4
	Champaign-Urbana, IL	New Orleans, LA	$3,800	$241	$40.13	$1.02	4
	Lincoln, NE	Galveston-Houston, TX	$3,880	$0	$38.53	$0.98	5
	Des Moines, IA	Amarillo, TX	$4,060	$189	$42.19	$1.07	4
	Minneapolis, MN	Tacoma, WA	$5,180	$0	$51.44	$1.31	4
	Council Bluffs, IA	Stockton, CA	$5,000	$0	$49.65	$1.26	4
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,750	$0	$57.10	$1.55	3
	Minneapolis, MN	Portland, OR	$5,800	$0	$57.60	$1.57	3
	Fargo, ND	Tacoma, WA	$5,650	$0	$56.11	$1.53	3
	Council Bluffs, IA	New Orleans, LA	$4,775	$278	$50.18	$1.37	2
	Toledo, OH	Huntsville, AL	$4,634	$0	$46.02	$1.25	6
	Grand Island, NE	Portland, OR	$5,710	$393	$60.60	$1.65	3

[1]A 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.

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

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

[4]Percentage 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

Date:	November, 2018			**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	$7,284	$0	$74.43	$2.02	-2
	OK	Cuautitlan, EM	$6,743	$167	$70.61	$1.92	3
	KS	Guadalajara, JA	$7,371	$423	$79.64	$2.17	3
	TX	Salinas Victoria, NL	$4,329	$102	$45.27	$1.23	2
Corn	IA	Guadalajara, JA	$8,528	$387	$91.09	$2.31	4
	SD	Celaya, GJ	$7,880	$0	$80.51	$2.04	2
	NE	Queretaro, QA	$8,207	$351	$87.43	$2.22	4
	SD	Salinas Victoria, NL	$6,905	$0	$70.55	$1.79	2
	MO	Tlalnepantla, EM	$7,573	$342	$80.87	$2.05	4
	SD	Torreon, CU	$7,480	$0	$76.43	$1.94	2
Soybeans	MO	Bojay (Tula), HG	$8,284	$359	$88.31	$2.40	3
	NE	Guadalajara, JA	$8,842	$390	$94.33	$2.56	3
	IA	El Castillo, JA	$9,110	$0	$93.08	$2.53	2
	KS	Torreon, CU	$7,714	$288	$81.76	$2.22	4
Sorghum	NE	Celaya, GJ	$7,527	$358	$80.56	$2.04	4
	KS	Queretaro, QA	$8,000	$209	$83.87	$2.13	3
	NE	Salinas Victoria, NL	$6,633	$168	$69.48	$1.76	4
	NE	Torreon, CU	$6,962	$276	$73.95	$1.88	4

[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

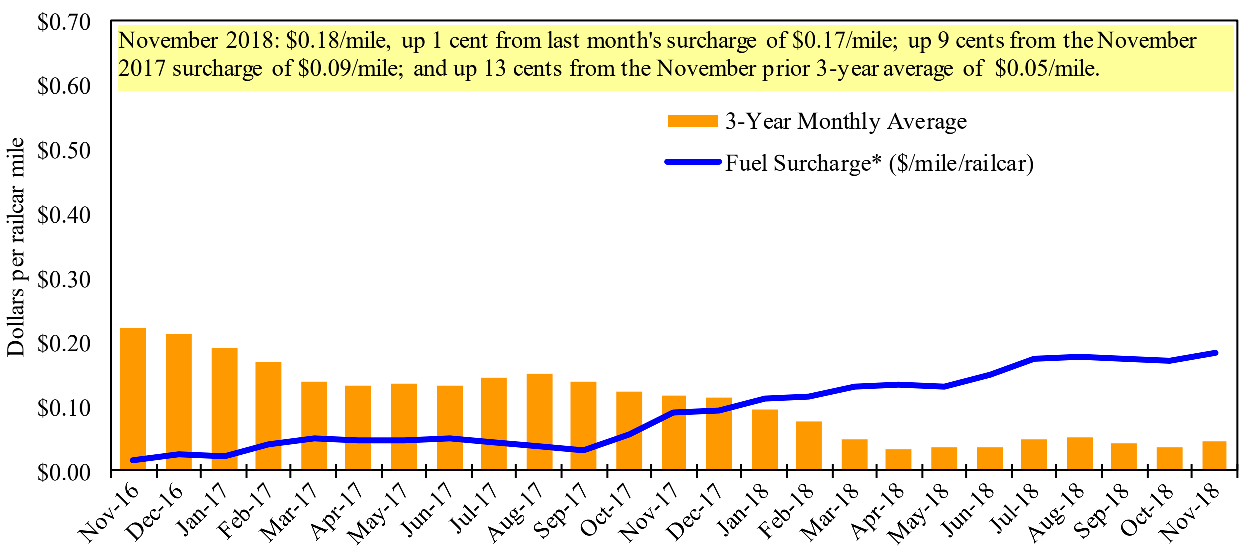
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[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.

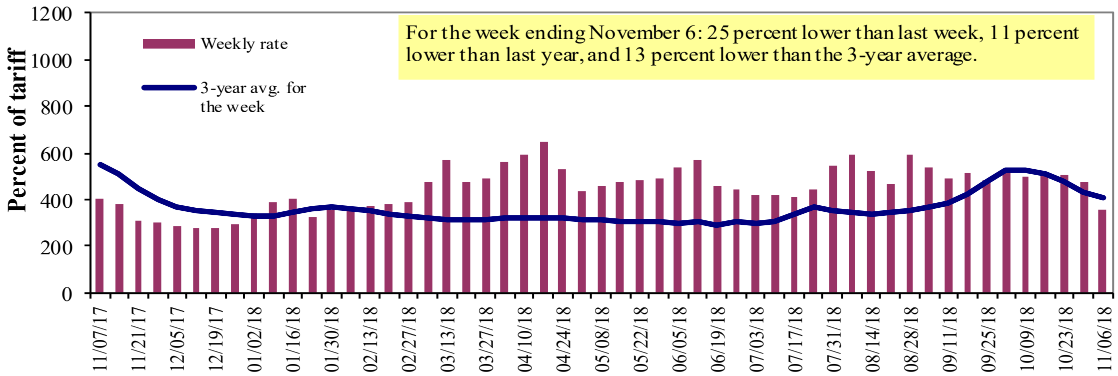
**CSX strike price changed from $2.00/gal. to $3.75/gal. starting January 1, 2015.

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]	11/6/2018	400	368	358	268	288	288	250
	10/30/2018	478	467	475	370	350	350	317
$/ton	11/6/2018	24.76	19.58	16.61	10.69	13.51	11.64	7.85
	10/30/2018	29.59	24.84	22.04	14.76	16.42	14.14	9.95
Current week % change from the same week:								
	Last year	-5	-7	-11	-7	-33	-33	-4
	3-year avg. [2]	-16	-13	-13	-18	-30	-29	-12
Rate[1]	December	-	-	368	268	300	300	250
	February	-	-	380	268	300	300	250

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds; "-" n/a due to closure

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.

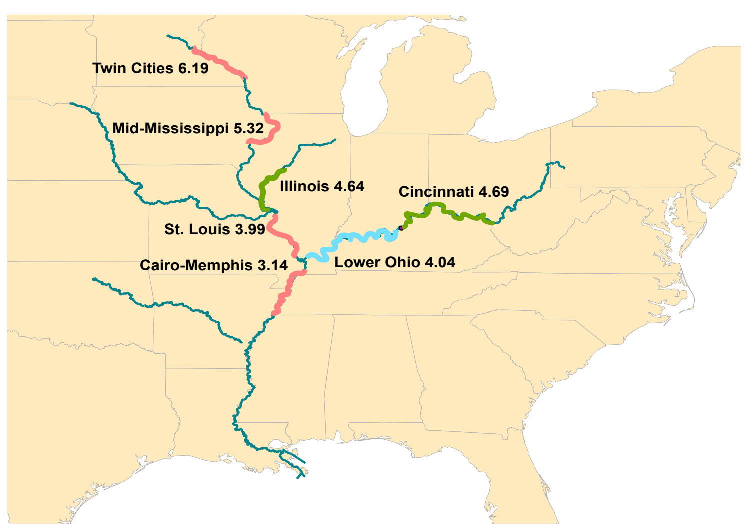
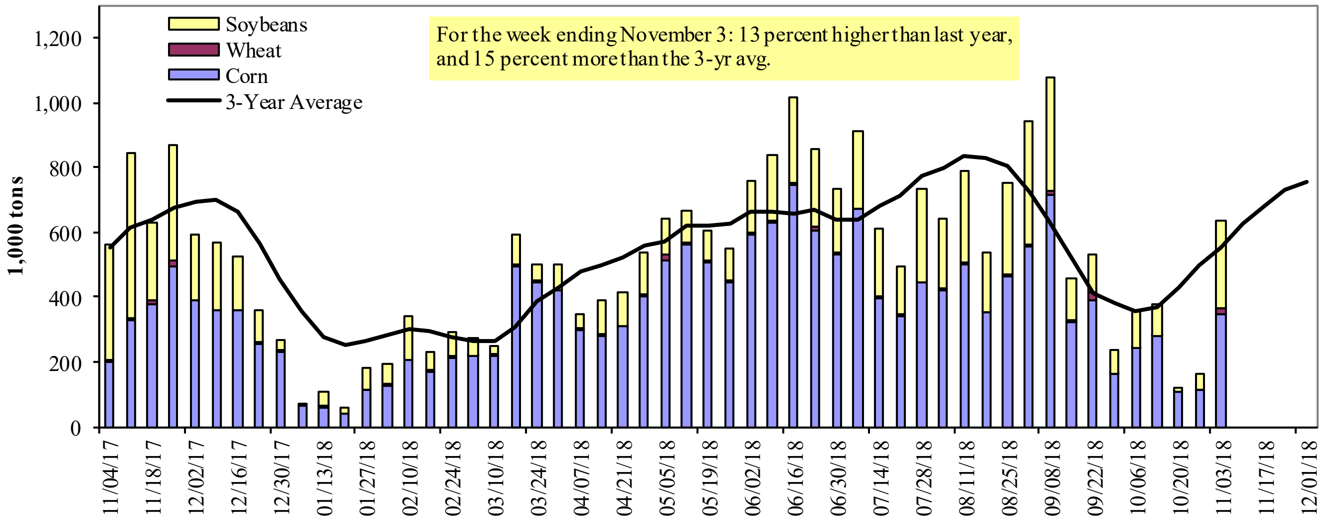


Figure 10

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 11/03/2018	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	39	6	158	0	202
Winfield, MO (L25)	321	19	231	0	570
Alton, IL (L26)	342	20	255	0	617
Granite City, IL (L27)	345	20	273	0	638
Illinois River (L8)	59	3	62	0	125
Ohio River (L52)	96	5	87	0	189
Arkansas River (L1)	0	7	24	0	31
Weekly total - 2018	441	33	384	0	858
Weekly total - 2017	330	16	604	15	965
2018 YTD[1]	19,977	1,465	10,200	98	31,739
2017 YTD	19,056	2,056	12,805	280	34,197
2018 as % of 2017 YTD	105	71	80	35	93
Last 4 weeks as % of 2017[2]	126	73	44	29	72
Total 2017	22,242	2,210	16,123	360	40,936

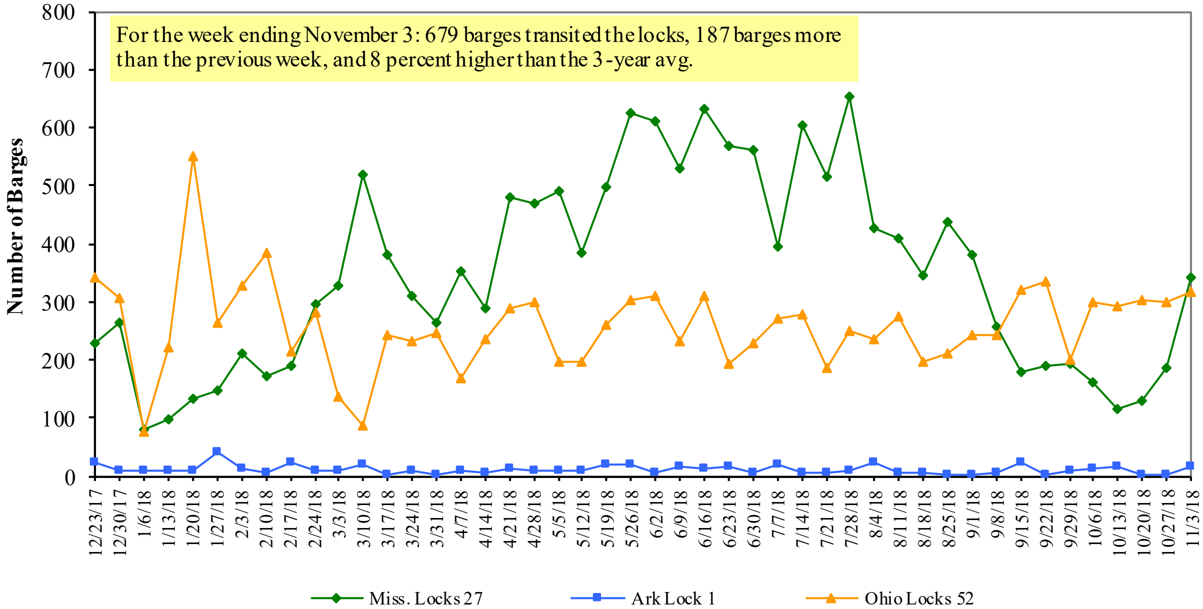
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[2] As a percent of same period in 2017.

Note: Total may not add exactly, due to rounding.
Source: U.S. Army Corps of Engineers

Figure 11

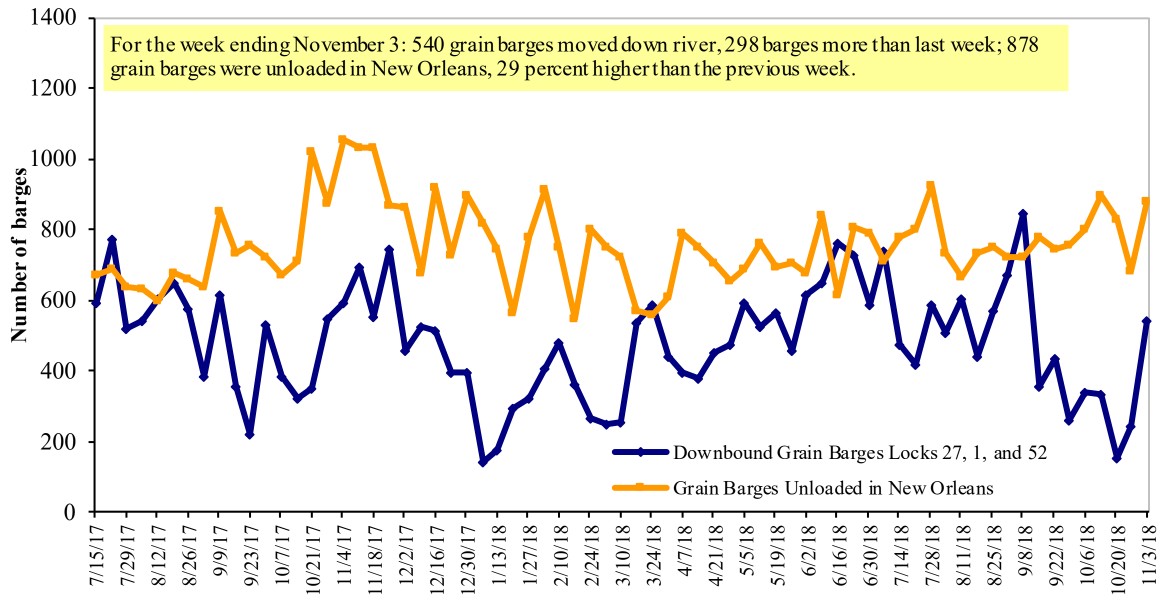
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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, Week Ending 11/5/2018 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.329	-0.017	0.481
	New England	3.362	-0.003	0.550
	Central Atlantic	3.498	-0.025	0.523
	Lower Atlantic	3.205	-0.012	0.441
II	Midwest[2]	3.286	-0.024	0.425
III	Gulf Coast[3]	3.106	-0.011	0.438
IV	Rocky Mountain	3.398	-0.007	0.433
V	West Coast	3.833	-0.015	0.501
	West Coast less California	3.538	-0.026	0.463
	California	4.068	-0.006	0.527
Total	U.S.	3.338	-0.017	0.456

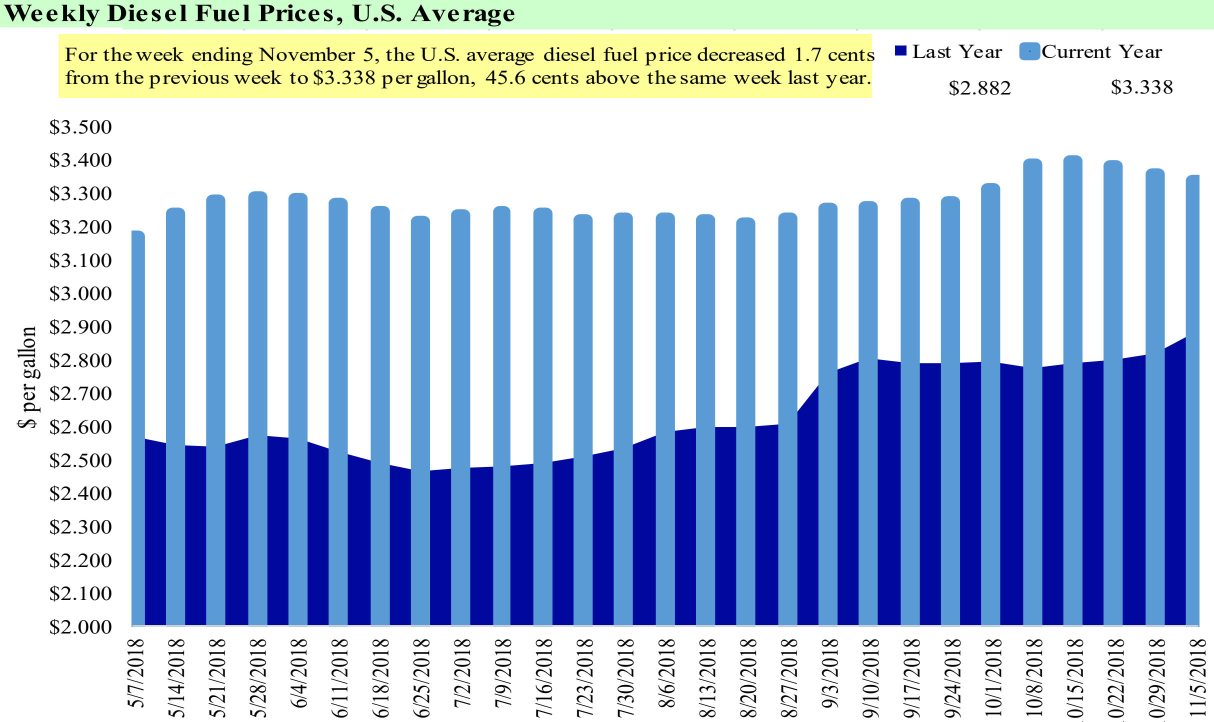
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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	Wheat HRW	Wheat SRW	Wheat HRS	Wheat SWW	Wheat DUR	All wheat	Corn	Soybeans	Total
Export Balances[1]									
10/25/2018	1,407	584	1,726	995	121	4,833	12,587	13,964	31,383
This week year ago	1,504	519	1,633	1,278	59	4,993	11,789	18,131	34,913
Cumulative exports-marketing year[2]									
2018/19 YTD	2,361	980	2,474	2,212	243	8,271	9,246	7,487	25,004
2017/18 YTD	4,255	972	2,766	2,323	201	10,517	5,240	12,187	27,943
YTD 2018/19 as % of 2017/18	55	101	89	95	121	79	176	61	89
Last 4 wks as % of same period 2017/18	91	120	94	82	187	94	114	84	96
2017/18 Total	9,150	2,343	5,689	4,854	384	22,419	57,209	56,214	135,842
2016/17 Total	11,096	2,285	7,923	4,254	484	26,042	41,864	51,156	119,062

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

[2] Shipped export sales to date; new marketing year now in effect for corn, soybeans, and 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 Importers[1] of U.S. Corn

For the week ending 10/25/2018	Total Commitments[2] 2018/19 Current MY	Total Commitments[2] 2017/18 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2015-2017
	- 1,000 mt -			
Mexico	7,093	7,178	(1)	13,691
Japan	3,324	2,280	46	11,247
Korea	1,813	401	353	4,754
Colombia	1,076	1,136	(5)	4,678
Peru	817	1,003	(19)	2,975
Top 5 Importers	**14,124**	**11,997**	**18**	**37,344**
Total US corn export sales	**21,832**	**17,029**	**28**	**53,184**
% of Projected	35%	27%		
Change from prior week[2]	**395**	**811**		
Top 5 importers' share of U.S. corn export sales	65%	70%		70%
USDA forecast, October 2018	**62,977**	**62,036**	**2**	
Corn Use for Ethanol USDA forecast, October 2018	**143,510**	**142,266**	**1**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports for 2017/18 - 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 Importers[1] of U.S. Soybeans

For the week ending 10/25/2018	Total Commitments[2] 2018/19 Current MY	2017/18 Last MY	% change current MY from last MY	Exports[3] 3-yr avg. 2015-2017
	- 1,000 mt -			- 1,000 mt -
China	964	15,969	(94)	31,228
Mexico	3,265	1,437	127	3,716
Indonesia	694	668	4	2,250
Japan	744	818	(9)	2,145
Netherlands	465	254	83	2,209
Top 5 importers	**6,131**	**19,145**	**(68)**	**41,549**
Total US soybean export sales	**21,451**	**30,318**	**(29)**	**55,113**
% of Projected	38%	52%		
Change from prior week[2]	**396**	**1,902**		
Top 5 importers' share of U.S. soybean export sales	29%	63%		**75%**
USDA forecast, October 2018	**56,131**	**58,011**	**97**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports for 2017/18 - 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/. The total commitments change (net sales) from prior week could include reivisions from previous week's outstanding sales and/or accumulated sales

[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 10/25/2018	Total Commitments[2] 2018/19 Current MY	2017/18 Last MY	% change current MY from last MY	Exports[3] 3-yr avg 2015-2017
	- 1,000 mt -			- 1,000 mt -
Mexico	1,522	1,968	(23)	2,781
Japan	1,609	1,637	(2)	2,649
Philippines	1,824	1,921	(5)	2,441
Korea	855	1,140	(25)	1,257
Nigeria	583	776	(25)	1,254
Indonesia	410	690	(41)	1,076
Taiwan	569	658	(14)	1,066
China	0	722	(100)	944
Colombia	363	202	79	714
Thailand	538	440	22	618
Top 10 importers	**8,273**	**10,154**	(19)	**14,800**
Total US wheat export sales	**13,104**	**15,510**	**(16)**	**22,869**
% of Projected	47%	63%		
Change from prior week[2]	**583**	**348**		
Top 10 importers' share of U.S. wheat export sales	63%	65%		65%
USDA forecast, October 2018	**27,929**	**24,550**	**14**	

(n) indicates negative number.

[1] Based on FAS Marketing Year Ranking Reports for 2017/18 - 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/. Total commitments change (net sales) from prior week could include revisions from the previous week's outstanding and/or accumulated sales

[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 11/01/18	Previous Week*	Current Week as % of Previous	2018 YTD*	2017 YTD*	2018 YTD as % of 2017 YTD	Last 4-weeks as % of: Last Year	Prior 3-yr. avg.	2017 Total*
Pacific Northwest									
Wheat	199	296	67	11,005	12,941	85	186	165	14,805
Corn	383	186	206	17,541	10,238	171	n/a	938	10,928
Soybeans	136	342	40	7,240	9,487	76	24	24	13,246
Total	**718**	**825**	**87**	**35,785**	**32,666**	**110**	**67**	**64**	**38,978**
Mississippi Gulf									
Wheat	72	69	104	3,367	3,824	88	143	151	4,198
Corn	667	336	198	29,606	25,900	114	167	142	28,690
Soybeans	887	758	117	22,019	24,546	90	70	63	32,911
Total	**1,626**	**1,163**	**140**	**54,992**	**54,270**	**101**	**94**	**84**	**65,800**
Texas Gulf									
Wheat	33	0	n/a	2,545	5,657	45	73	67	6,354
Corn	0	0	n/a	665	695	96	86	85	733
Soybeans	0	0	n/a	69	159	43	0	0	292
Total	**33**	**0**	**n/a**	**3,278**	**6,511**	**50**	**51**	**36**	**7,379**
Interior									
Wheat	15	39	40	1,376	1,526	90	142	100	1,727
Corn	174	136	128	7,479	7,403	101	133	130	8,758
Soybeans	154	204	76	5,780	4,593	126	91	102	5,508
Total	**344**	**379**	**91**	**14,636**	**13,522**	**108**	**109**	**113**	**15,993**
Great Lakes									
Wheat	25	11	221	698	582	120	69	56	711
Corn	0	20	0	404	173	233	n/a	287	192
Soybeans	81	4	n/a	899	669	134	98	79	890
Total	**106**	**35**	**300**	**2,001**	**1,424**	**141**	**111**	**85**	**1,793**
Atlantic									
Wheat	0	0	n/a	69	46	150	0	0	46
Corn	7	7	99	124	28	446	144	21	32
Soybeans	4	57	8	1,596	1,328	120	33	39	2,001
Total	**12**	**64**	**18**	**1,789**	**1,402**	**128**	**36**	**34**	**2,079**
U.S. total from ports*									
Wheat	344	415	83	19,060	24,576	78	143	128	27,841
Corn	1,232	686	180	55,819	44,437	126	203	167	49,333
Soybeans	1,263	1,365	93	37,603	40,783	92	54	50	54,847
Total	**2,839**	**2,466**	**115**	**112,482**	**109,795**	**102**	**84**	**77**	**132,021**

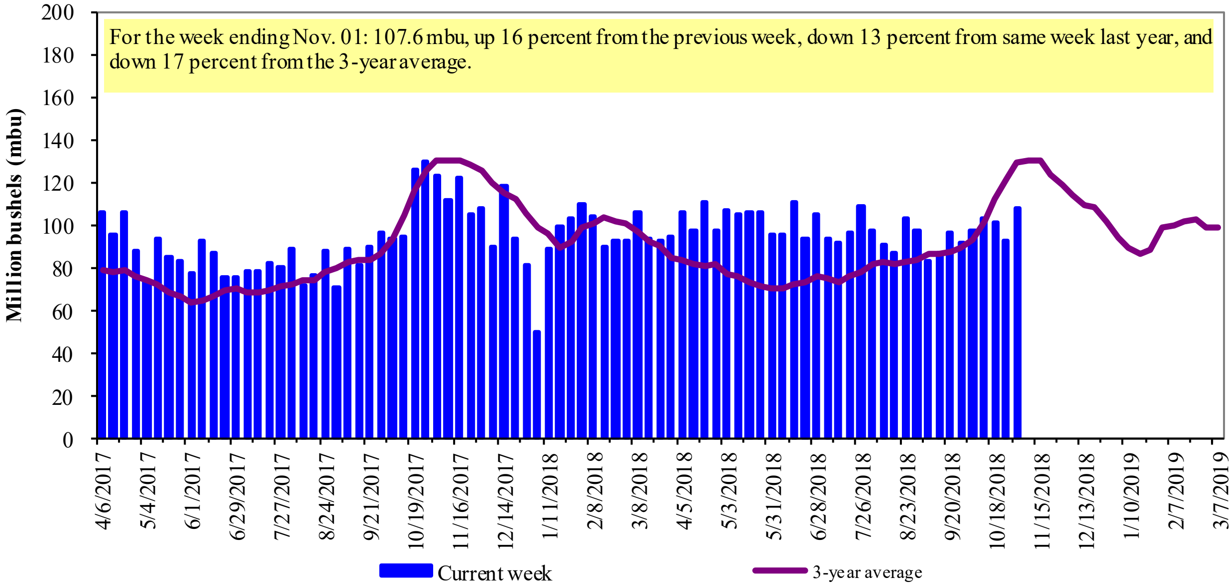
*Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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, 50 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 55 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2017.

Figure 14

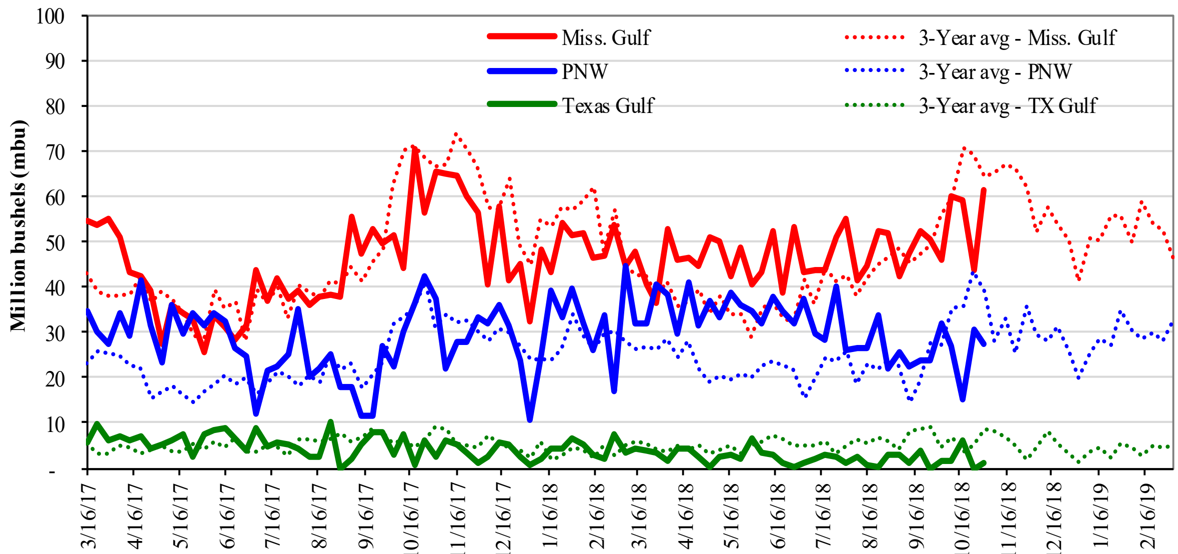
U.S. grain inspected for export (wheat, corn, and soybeans)



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 11/01/18 inspections (mbu):		Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Mississippi Gulf:	61.5	Last Week:	up 41	n/a	up 44	down 11
PNW:	27.4	Last Year (same week):	down 6	down 55	down 8	down 27
Texas Gulf:	1.2	3-yr avg. (4-wk. mov. Avg):	down 7	down 80	down 13	down 29

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

Ocean Transportation

Table 17

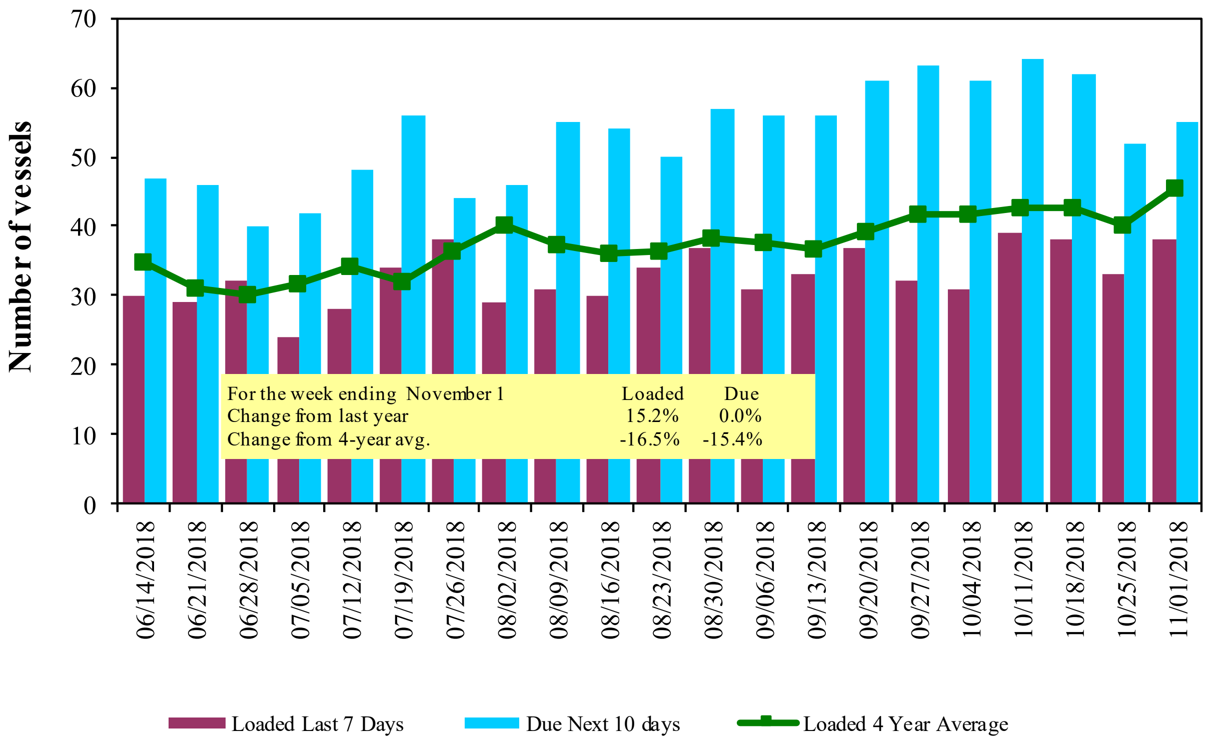
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf In port	Gulf Loaded 7-days	Gulf Due next 10-days	Pacific Northwest In port
11/1/2018	48	38	55	9
10/25/2018	51	33	52	10
2017 range	(25..66)	(28..54)	(37..87)	(5..44)
2017 avg.	46	38	56	20

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf Vessel Loading Activity

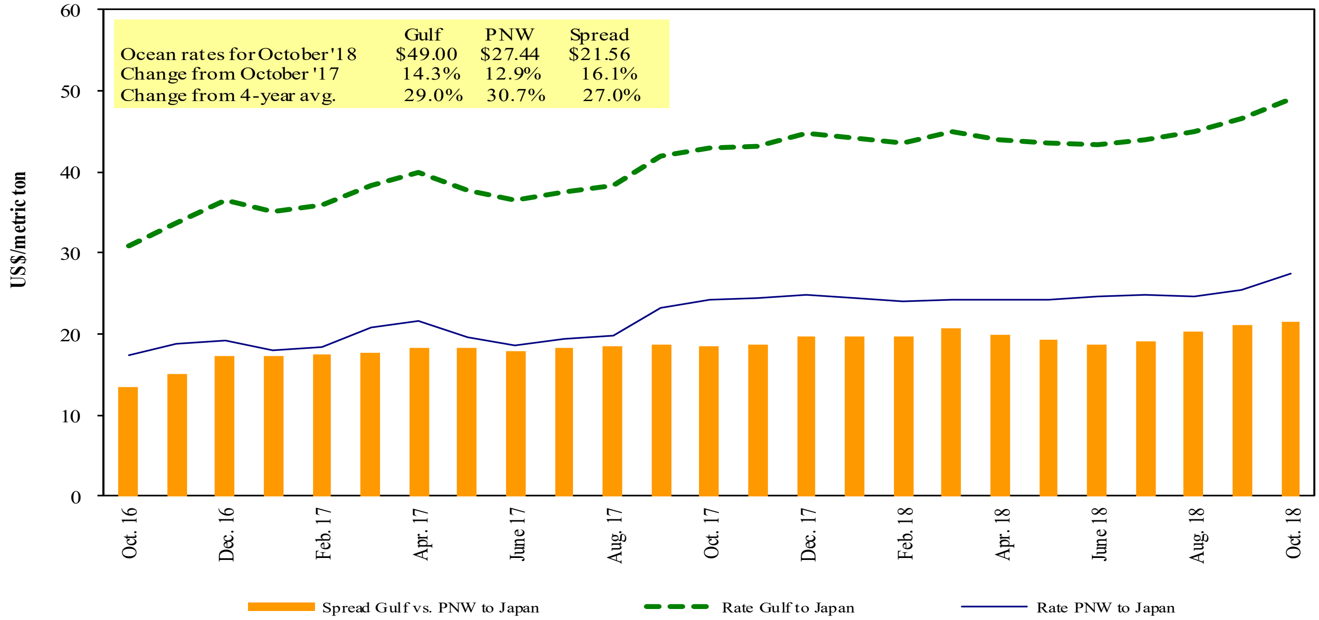


Source: Transportation & Marketing Programs/AMS/USDA

[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 11/03/2018

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Djibouti	Wheat	Nov 2/12	21,470	85.44*
U.S. Gulf	Djibouti	Wheat	Oct 1/15	25,340	77.65*
U.S. Gulf	Honduras	Soybean Meal	Oct 1/10	12,500	85.00*
PNW	Taiwan	Heavy Grain	Sep 15/Oct 31	63,000	25.00
Brazil	China	Heavy Grain	Nov 20/30	60,000	38.00
Brazil	China	Heavy Grain	Nov 1/10	60,000	34.00
Brazil	China	Heavy Grain	Oct 5/15	60,000	33.75
Brazil	China	Heavy Grain	Sep 25/30	60,000	34.50
Brazil	China	Heavy Grain	Sep 10/20	60,000	35.75
Brazil	China	Heavy Grain	Aug 21/30	60,000	36.00
Brazil	China	Heavy Grain	Aug 18/28	60,000	36.00
Brazil	Malaysia	Heavy Grain	Aug 17/24	65,000	31.00
Brazil	S.Korea	Heavy Grain	Nov 5/10	66,000	43.00

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

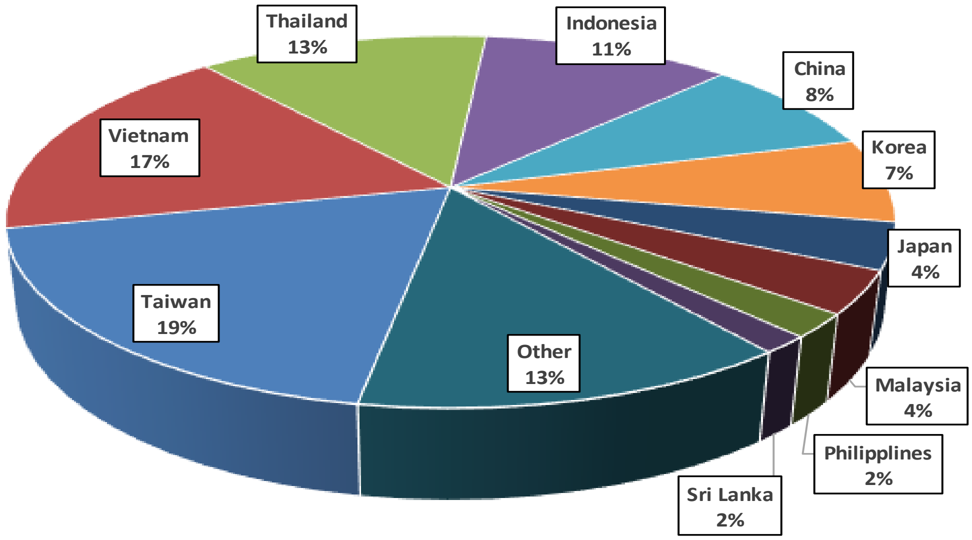
*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

In 2017, containers were used to transport 7 percent of total U.S. waterborne grain exports. Approximately 62 percent of U.S. waterborne grain exports in 2017 went to Asia, of which 10 percent were moved in containers. Approximately 93 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-May 2018

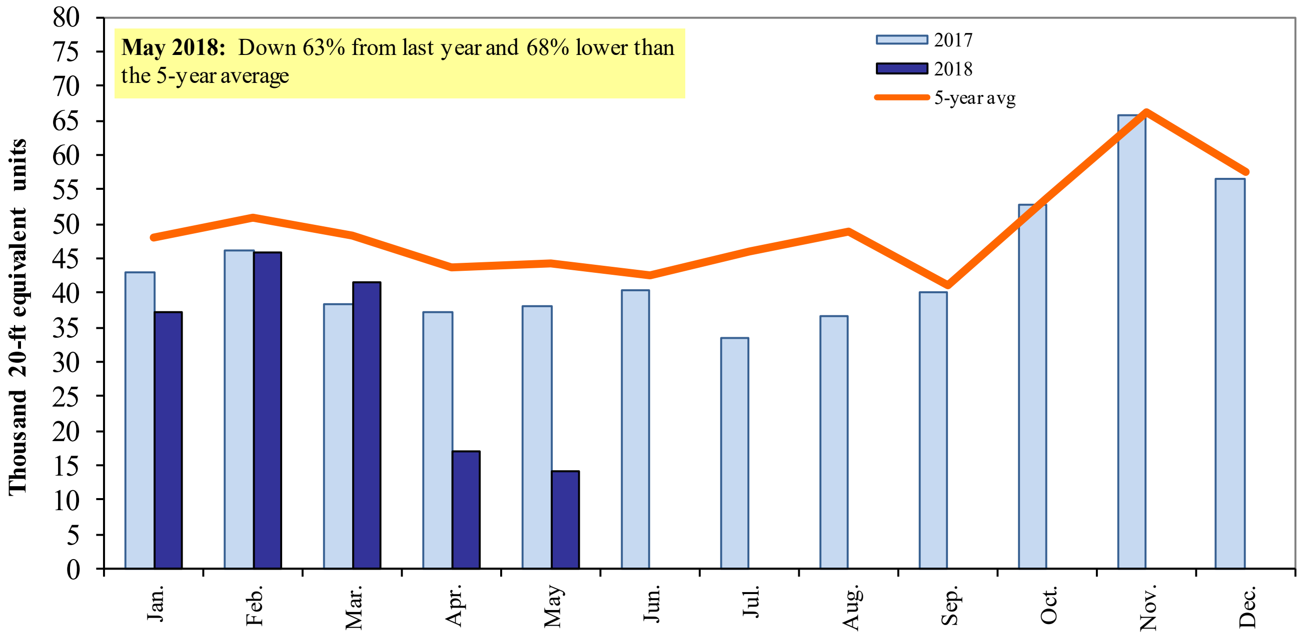


Service (PIERS) data

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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