



Grain Transportation Report

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

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January 8, 2015

WEEKLY HIGHLIGHTS

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The Federal Mediation and Conciliation Service Assists in West Coast Labor Negotiations

In response to a joint request for assistance from the parties, collective bargaining between International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) representatives will continue as soon as possible under the auspices of the Federal Mediation and Conciliation Service (FMCS). FMCS is prepared and ready to render prompt assistance. The FMCS announcement reports Deputy Director Scot Beckenbaugh, a senior FMCS mediator with extensive collective bargaining experience in this industry, has been assigned to help the parties bring these important negotiations to a mutually acceptable resolution. As is Agency practice, the FMCS is not releasing information regarding future meeting dates and locations. In addition, the FMCS will have no further comment at this time regarding the status or substance of the negotiations.

Grain Inspections Continue to Fall but Wheat Inspections Rebound

For the week ending January 1, **total inspections of grain** (corn, wheat, soybeans) from all major export regions reached 2.2 million metric tons (mmt), down 6 percent from the past week, but up 241 percent from last year, and 14 percent above the 3-year average. Despite the drop in total grain inspections, wheat inspections (.351 mmt) jumped 45 percent from the previous week. Shipments of wheat destined to Asia were up over 100 percent from the past week. Corn and soybean inspections, however, continued to decrease. Pacific Northwest grain inspections increased 2 percent from the past week and Mississippi Gulf inspections remained the same. Grain transportation demand could increase in the coming weeks as indicated by the additional [reported](#) corn and soybean export sales to Japan, Mexico, and China after the week ending December 25 (see footnote 4 in GTR Tables 13 and 14).

Fuel Prices Continue to Fall Due to Robust Global Production

Diesel fuel prices fell 8 cents per gallon to \$3.14 during the week ending January 5. Fuel prices have fallen 47 cents per gallon over the past 5 weeks. The Energy Information Administration reports that crude oil prices fell sharply in the fourth quarter of 2014 as robust global production exceeded demand. "After reaching monthly peaks of \$112 per barrel (bbl) and \$105/bbl in June, crude oil benchmarks Brent and West Texas Intermediate (WTI) fell to \$62/bbl and \$59/bbl in December, respectively. Brent prices fell below the five-year average in early September and WTI prices have been below the five-year average since early October. Domestic crude oil production increased 1.2 million barrels per day (bbl/d) in 2014, up 16 percent from 2013. At 8.6 million bbl/d, U.S. production is at the highest level in nearly 30 years."

Snapshots by Sector

Export Sales

During the week ending December 18, **unshipped balances** of wheat, corn, and soybeans totaled 34.4 mmt, 14 percent lower than at the same time last year. **Corn export sales** reached .843 mmt, down 46 percent from the previous week. **Wheat** reached 0.354 mmt, up 21 percent, and **soybeans**, at 0.611 mmt, were up 6 percent.

Rail

U.S. railroads originated 19,379 **carloads of grain** during the week ending December 27, down 23 percent from last week, up 7 percent from last year, and up 2.6 percent from the 3-year average.

During the week ending January 1, average January shuttle **secondary railcar bids/offers per car** were \$275 below tariff, down \$188 from last week and \$1,954 lower than last year. There were no non-shuttle bids/offers.

Barge

During the week ending January 3 **barge grain movements** totaled 465,550 tons—23.7 percent lower than the previous week and 26.8 percent lower than the same period last year.

During the week ending January 3, 289 grain barges **moved down river**, down 24.7 percent from last week; 618 grain barges were **unloaded in New Orleans**, up 29 percent from the previous week.

Ocean

During the week ending January 1, 41 **ocean-going grain vessels** were loaded in the Gulf, 2.4 percent less than the same period last year. Sixty-nine vessels are expected to be loaded within the next 10 days, 13.8 percent less than the same period last year.

During the week ending January 2, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$39.00 per mt, down 2.5 percent from the previous week. The cost of shipping from the PNW to Japan was \$21.00 per mt, down 2.3 percent from the previous week.

Feature Article/Calendar

Containerized Grain Update

Port congestion and a GMO-related¹ trade dispute between the United States and China slowed containerized grain movements in 2014 compared with 2013. For the 10 months ending in October, year-to-date containerized grain exports were down 10 percent from the same period in 2013, but had outpaced all other years on record. Dried Distillers Grains (DDGS)

continued to represent the largest percentage of containerized grain exports—50 percent between January and October of 2014—followed by soybeans at 24 percent (see table 1). China remains the largest market for DDGS, accounting for 60 percent of the containerized DDGS exports.

However, the percentage of shipments to China to date were down compared to the same period in 2013, when China represented 73 percent of containerized DDGS exports. This drop is likely due to the embargo China imposed on certain corn varieties. The recent end to the ban of those varieties is likely to help U.S. corn and DDGS exports to China in 2015.

Table 1: U.S. Containerized Waterborne Agricultural Exports, Jan-Oct, 2014

HTS Code	HTS Description	Metric Tons	TEU	Share
230330	Distillers grains	3,153,482	245,668	50%
120100	Soybeans	1,524,390	97,155	24%
100590	Corn	505,976	32,070	8%
230990	Animal feed	403,378	33,083	6%
230310	Residues of Starch Manufacturing	255,160	16,973	4%
	Other	485,695	34,378	8%
Total		6,328,081	459,326	100%

Source: Port Import Export Reporting Service (PIERS)

Congestion at West Coast ports has also impeded containerized grain shippers this year. Terminals have been combating congestion from chassis availability and displacement; strong peak season imports that began early due to the new longshore labor contract under negotiation; diminished truck turn times; and, congested terminals from the unloading of larger vessels. Since the end of October, shippers have complained of work slowdowns at most major ports on the West Coast on the part of the International Longshore and Warehouse Union (ILWU). The ILWU and the Pacific Maritime Association (PMA), which represents the terminal operators, have been in negotiations for a new coast-wide contract since May. Many importers and exporters, trade associations, and other industry groups have pleaded with both sides to find a resolution after more than 7 months of negotiating. Agricultural exporters in particular are feeling the disruption from delayed vessel schedules, bumped cargo, and congested terminals that make access to containers and vessel sailings a struggle. As a result, exporters of apples and potatoes, meat and dairy products, as well as hay and grains, have lost sales and laid off employees during what would normally be a busy shipping season.

Table 2: U.S. Ports Moving Containerized Grain Exports, Jan-Oct, 2014

U.S. Ports	Metric Tons	TEU	Share
Los Angeles	1,938,543	142,258	31%
Long Beach	1,856,611	130,377	29%
Norfolk	777,728	56,449	12%
Tacoma	484,553	33,999	8%
New York	395,365	29,058	6%
Savannah	294,161	22,694	5%
Other	581,121	44,491	9%
Total	6,328,081	459,326	100%

Source: Port Import Export Reporting Service (PIERS)

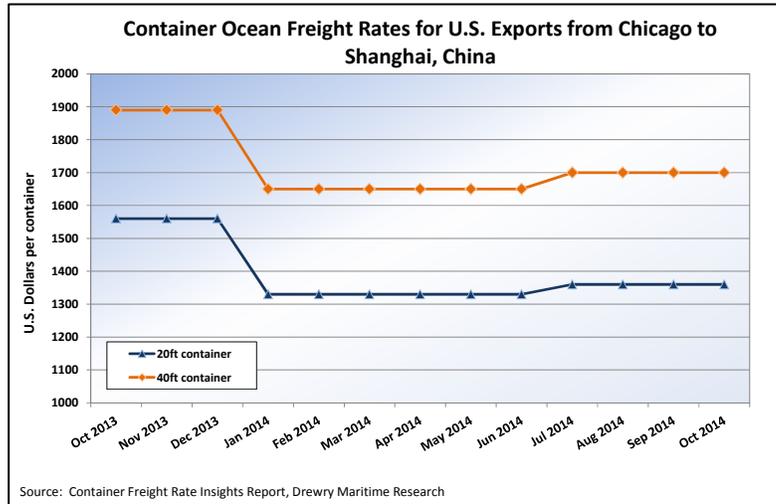
Containerized grain exports rely heavily on the West Coast ports to move their products to market. Between January and October of this year, 74 percent of containerized grain movements used West Coast ports, with 60 percent of those moving through the Los Angeles/Long Beach port complex (see table 2). The congestion issues at West Coast ports have impacted the number of containerized grain movements—September movements were 18 percent below the 5-year average and October movements were 21 percent below average. This is the first time shipments have fallen below the 5-year average since the end of 2012.

So far, container freight rates from Chicago to Shanghai have not been significantly impacted by West Coast port disruptions, though carriers are attempting to increase revenue to compensate for the additional costs caused by the congestion. After a significant drop at the beginning of the year, container freight rates remained flat until a slight 2 percent increase, which occurred in July and held steady through October (see figure below). Carriers have been attempting to impose congestion surcharges on shippers due to the congestion at West Coast ports, but as of

¹ In November 2013, China began turning away cargos of U.S. corn after finding a banned genetically modified (GMO) corn. But on December 17, 2014, Reuters news service reported that China had lifted the ban of corn with the specified trait.

December 4, the Federal Maritime Commission (FMC) announced that most carriers had decided to postpone these surcharges until after the New Year. However, on December 3, the member carriers of the Transpacific Stabilization Agreement (TSA) announced a general rate increase of \$1,000 per 40ft container for all origins and destinations effective December 15, citing press reports of double-digit import growth in September and October and forecasts of continued market momentum through the remainder of the year.

Many agricultural exporters believe disruption and congestion will be the norm until a new longshore labor contract is reached. Long-term disruption will likely cause foreign buyers to look for products elsewhere, cost agricultural exporters long-term business, and encourage U.S. shippers to look to other port regions to move their products whether that is East and Gulf coast ports or Canadian and Mexican port alternatives. April.taylor@ams.usda.gov



Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
01/07/15	211	255	204	222	174	149
12/31/14	215	245	209	217	n/a	n/a

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	1/2/2015	12/26/2014
Corn	IL--Gulf	-0.72	n/a*
Corn	NE--Gulf	-0.63	n/a*
Soybean	IA--Gulf	-1.22	n/a*
HRW	KS--Gulf	-1.47	n/a*
HRS	ND--Portland	-2.60	n/a*

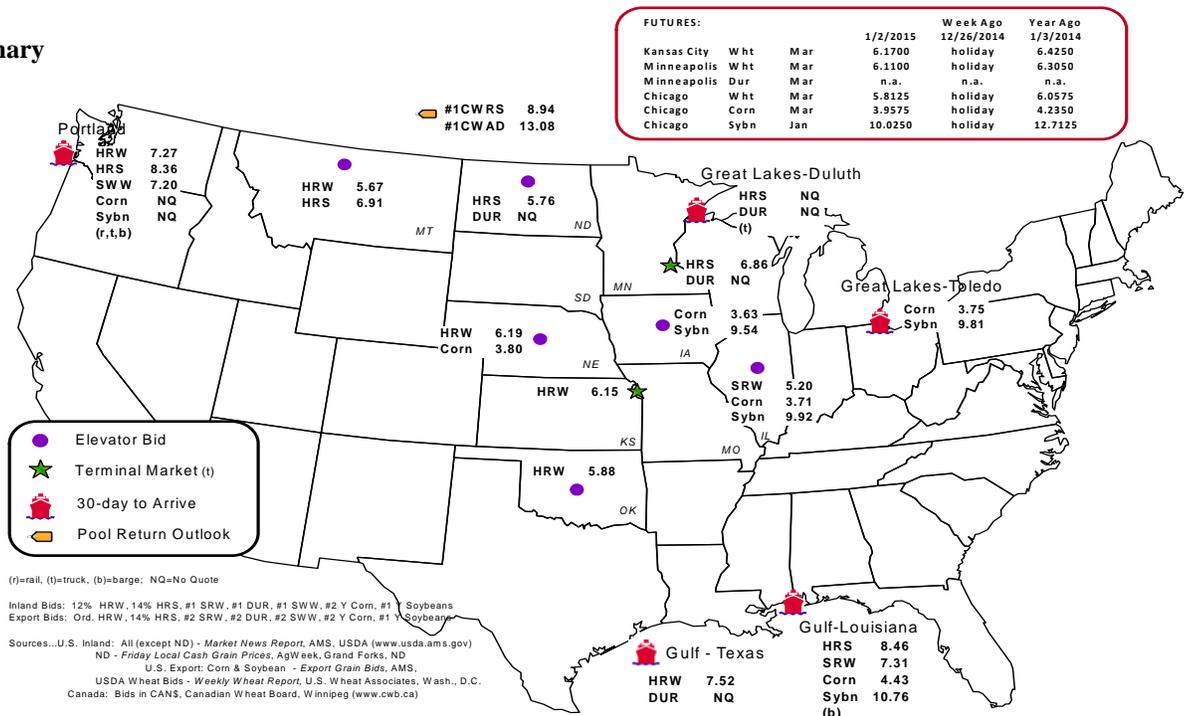
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

* no bid collected due to holiday

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Pacific	Atlantic &	Total	Week ending	Cross-Border
	Gulf	Texas Gulf	Northwest	East Gulf			Mexico ³
12/31/2014 ^p	1,130	1,169	4,474	881	7,654	12/27/2014	1,455
12/24/2014 ^r	1,736	1,883	6,333	1,092	11,044	12/20/2014	1,369
2014 YTD ^r	44,621	83,674	255,860	32,107	416,262	2014 YTD	98,422
2013 YTD ^r	33,049	73,053	173,737	25,933	305,772	2013 YTD	72,253
2014 YTD as % of 2013 YTD	135	115	147	124	136	% change YTD	136
Last 4 weeks as % of 2013 ²	108	149	114	112	118	Last 4wks % 2013	88
Last 4 weeks as % of 4-year avg. ²	159	155	130	140	139	Last 4wks % 4 yr	100
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	70,298
Total 2012	22,604	40,780	199,419	24,659	287,462	Total 2012	92,008

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2013 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.

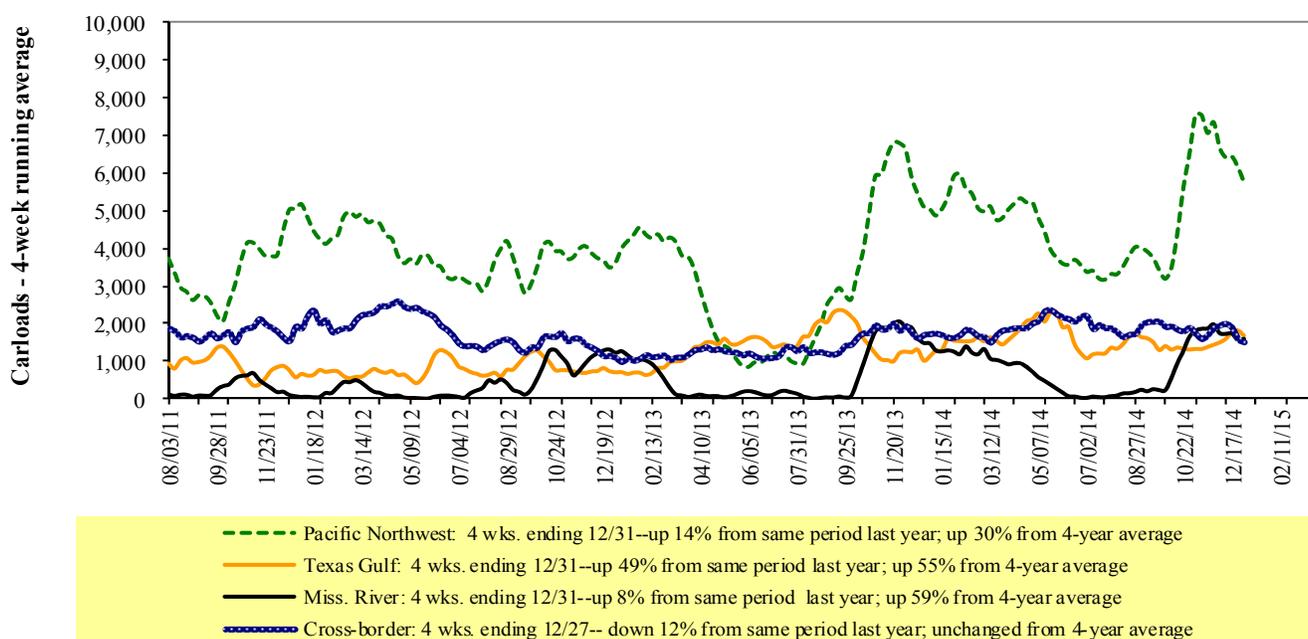
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 29 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

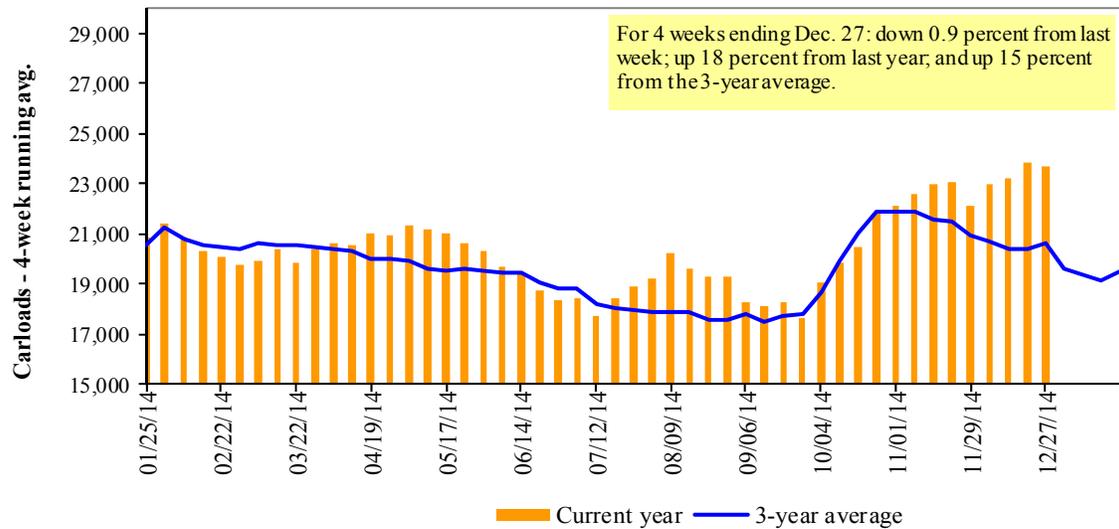
Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
12/27/14	1,995	2,591	7,824	845	6,124	19,379	3,924	4,647
This week last year	1,751	3,145	7,326	642	5,337	18,201	3,047	4,288
2014 YTD	101,080	150,568	471,380	46,788	292,219	1,062,035	238,331	271,289
2013 YTD	86,466	137,915	454,262	35,195	222,258	936,096	190,125	272,753
2014 YTD as % of 2013 YTD	117	109	104	133	131	113	125	99
Last 4 weeks as % of 2013	110	103	132	95	112	118	120	106
Last 4 weeks as % of 3-yr avg. ¹	124	116	115	144	127	120	122	94
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

¹As a percent of the same period in 2009 and 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

Week ending	Delivery period							
	Jan-15	Jan-14	Feb-15	Feb-14	Mar-15	Mar-14	Apr-15	Apr-14
BNSF ³								
COT grain units	no offer	no offer	no offer	no offer	no offer	no offer	no offer	262
COT grain single-car ⁵	no offer	no offer	no offer	no offer	no offer	no offer	no offer	27. .150
UP ⁴								
GCAS/Region 1	no offer	1	no offer	no bids	no offer	no bids	n/a	n/a
GCAS/Region 2	no offer	297	no offer	76	no offer	11	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.

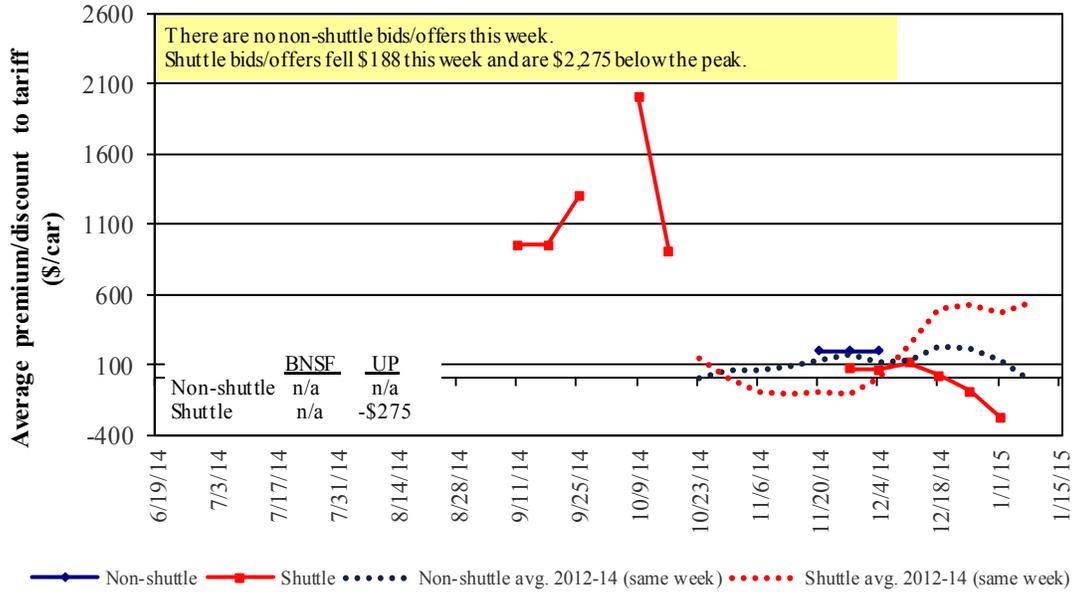
⁵Range is shown because average is not available. Not available = n/a.

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 January 2015, Secondary Market

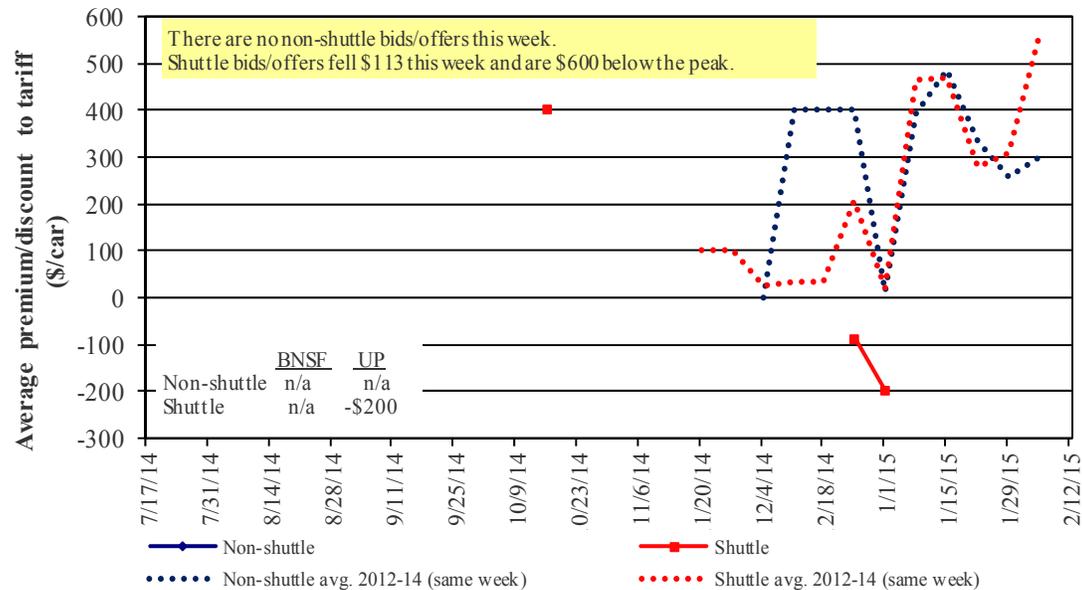


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in February 2015, Secondary Market

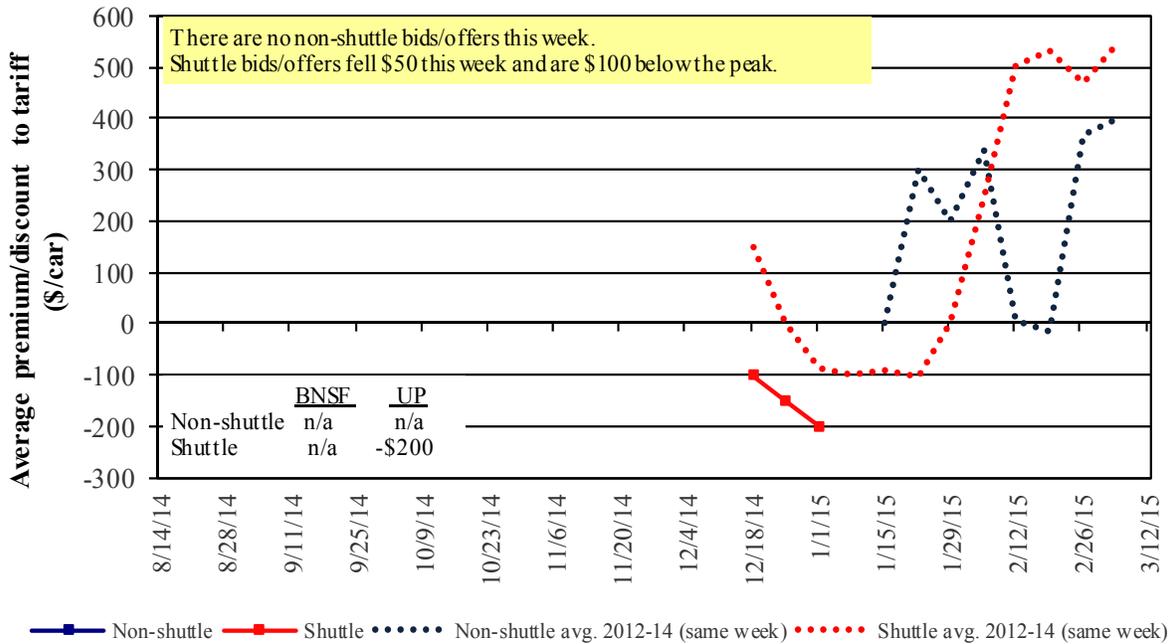


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in March 2015, 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

Week ending	Delivery period					
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
Non-shuttle						
BNSF-GF	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 2014	n/a	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 2014	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	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 2014	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	(275)	(200)	(200)	n/a	n/a	n/a
Change from last week	(50)	(25)	-	n/a	n/a	n/a
Change from same week 2014	(800)	(500)	(400)	n/a	n/a	n/a

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

²Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

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
1/1/2015	metric ton					bushel ²		
Unit train								
Wheat	Wichita, KS	St. Louis, MO	\$3,387	\$157	\$35.19	\$0.96	5	
	Grand Forks, ND	Duluth-Superior, MN	\$3,596	\$86	\$36.57	\$1.00	0	
	Wichita, KS	Los Angeles, CA	\$6,244	\$444	\$66.41	\$1.81	-1	
	Wichita, KS	New Orleans, LA	\$4,026	\$276	\$42.72	\$1.16	4	
	Sioux Falls, SD	Galveston-Houston, TX	\$5,824	\$364	\$61.45	\$1.67	-1	
	Northwest KS	Galveston-Houston, TX	\$4,293	\$302	\$45.63	\$1.24	4	
	Amarillo, TX	Los Angeles, CA	\$4,492	\$421	\$48.79	\$1.33	3	
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,328	\$312	\$36.15	\$0.92	3	
	Toledo, OH	Raleigh, NC	\$5,555	\$364	\$58.78	\$1.49	16	
	Des Moines, IA	Davenport, IA	\$2,168	\$66	\$22.19	\$0.56	4	
	Indianapolis, IN	Atlanta, GA	\$4,761	\$273	\$49.99	\$1.27	15	
	Indianapolis, IN	Knoxville, TN	\$4,104	\$175	\$42.49	\$1.08	17	
	Des Moines, IA	Little Rock, AR	\$3,308	\$194	\$34.78	\$0.88	2	
	Des Moines, IA	Los Angeles, CA	\$4,852	\$565	\$53.79	\$1.37	-7	
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,864	\$335	\$41.70	\$1.13	5	
	Toledo, OH	Huntsville, AL	\$4,676	\$258	\$49.00	\$1.33	24	
	Indianapolis, IN	Raleigh, NC	\$5,625	\$366	\$59.50	\$1.62	16	
	Indianapolis, IN	Huntsville, AL	\$4,368	\$175	\$45.12	\$1.23	27	
	Champaign-Urbana, IL	New Orleans, LA	\$3,974	\$312	\$42.56	\$1.16	5	
Shuttle Train								
Wheat	Great Falls, MT	Portland, OR	\$3,678	\$255	\$39.06	\$1.06	-1	
	Wichita, KS	Galveston-Houston, TX	\$3,471	\$199	\$36.44	\$0.99	-9	
	Chicago, IL	Albany, NY	\$4,723	\$341	\$50.29	\$1.37	17	
	Grand Forks, ND	Portland, OR	\$5,159	\$441	\$55.61	\$1.51	-1	
	Grand Forks, ND	Galveston-Houston, TX	\$6,084	\$459	\$64.98	\$1.77	-1	
	Northwest KS	Portland, OR	\$5,260	\$496	\$57.16	\$1.56	3	
	Corn	Minneapolis, MN	Portland, OR	\$5,000	\$537	\$54.98	\$1.40	-2
Sioux Falls, SD		Tacoma, WA	\$4,960	\$492	\$54.14	\$1.38	-2	
Champaign-Urbana, IL		New Orleans, LA	\$3,147	\$312	\$34.35	\$0.87	3	
Lincoln, NE		Galveston-Houston, TX	\$3,510	\$287	\$37.70	\$0.96	-1	
Des Moines, IA		Amarillo, TX	\$3,690	\$244	\$39.07	\$0.99	2	
Minneapolis, MN		Tacoma, WA	\$5,000	\$532	\$54.94	\$1.40	-2	
Council Bluffs, IA		Stockton, CA	\$4,400	\$551	\$49.16	\$1.25	-2	
Soybeans	Sioux Falls, SD	Tacoma, WA	\$5,520	\$492	\$59.70	\$1.62	-1	
	Minneapolis, MN	Portland, OR	\$5,530	\$537	\$60.25	\$1.64	-2	
	Fargo, ND	Tacoma, WA	\$5,430	\$437	\$58.26	\$1.59	-1	
	Council Bluffs, IA	New Orleans, LA	\$4,425	\$360	\$47.51	\$1.29	4	
	Toledo, OH	Huntsville, AL	\$3,851	\$258	\$40.81	\$1.11	31	
	Grand Island, NE	Portland, OR	\$5,360	\$507	\$58.27	\$1.59	3	

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: 1/1/2015

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel	Tariff plus surcharge per:		Percent change Y/Y ⁴
				surcharge per car ²	metric ton ³	bushel ³	
Wheat	MT	Chihuahua, CI	\$6,960	\$466	\$75.88	\$2.06	8
	OK	Cuautitlan, EM	\$6,565	\$566	\$72.86	\$1.98	5
	KS	Guadalajara, JA	\$7,010	\$547	\$77.22	\$2.10	5
	TX	Salinas Victoria, NL	\$3,885	\$213	\$41.88	\$1.14	30
Corn	IA	Guadalajara, JA	\$8,349	\$644	\$91.88	\$2.33	3
	SD	Celaya, GJ	\$7,656	\$610	\$84.46	\$2.14	-1
	NE	Queretaro, QA	\$7,535	\$572	\$82.83	\$2.10	1
	SD	Salinas Victoria, NL	\$5,880	\$464	\$64.82	\$1.64	-1
	MO	Tlalnepantla, EM	\$6,887	\$555	\$76.04	\$1.93	0
	SD	Torreon, CU	\$6,722	\$511	\$73.90	\$1.88	-1
Soybeans	MO	Bojay (Tula), HG	\$8,111	\$543	\$88.42	\$2.40	2
	NE	Guadalajara, JA	\$8,722	\$621	\$95.46	\$2.60	2
	IA	El Castillo, JA	\$8,855	\$606	\$96.67	\$2.63	-1
	KS	Torreon, CU	\$7,089	\$385	\$76.36	\$2.08	2
Sorghum	TX	Guadalajara, JA	\$6,953	\$397	\$75.10	\$1.91	-1
	NE	Celaya, GJ	\$7,287	\$554	\$80.11	\$2.03	0
	KS	Queretaro, QA	\$6,795	\$348	\$72.98	\$1.85	1
	NE	Salinas Victoria, NL	\$5,500	\$407	\$60.36	\$1.53	1
	NE	Torreon, CU	\$6,418	\$455	\$70.22	\$1.78	1

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

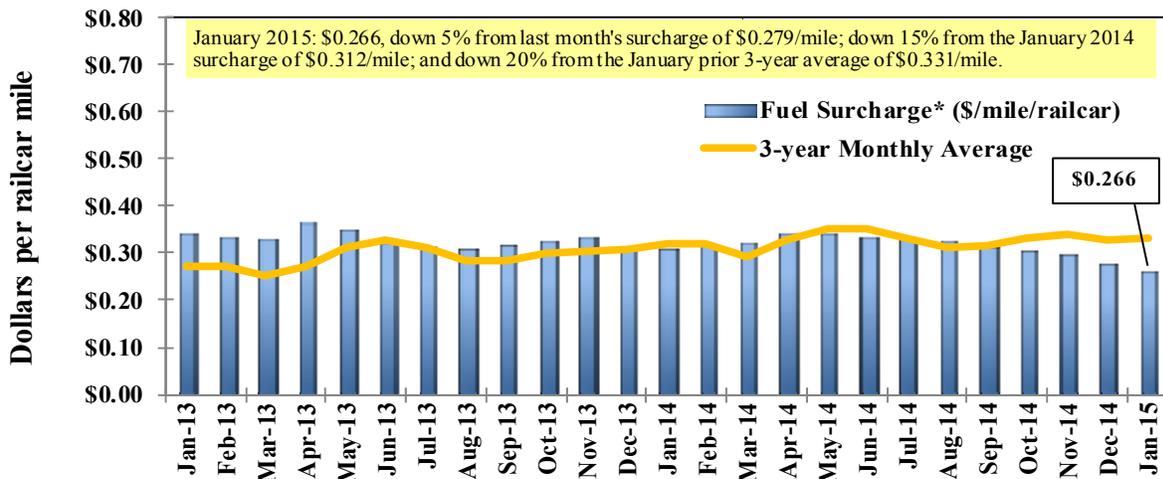
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

⁴Percentage change year over year 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.

* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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	1/6/2015	-	-	400	313	425	425	250
	12/30/2014	-	-	390	265	400	400	245
\$/ton	1/6/2015	-	-	18.56	12.49	19.93	17.17	7.85
	12/30/2014	-	-	18.10	10.57	18.76	16.16	7.69
Current week % change from the same week:								
	Last year	-	-	-30	-26	3	3	-7
	3-year avg. ²	-	-	-16	-19	13	13	-7
Rate¹	February	-	-	395	288	360	360	245
	April	425	390	350	288	350	350	225

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:

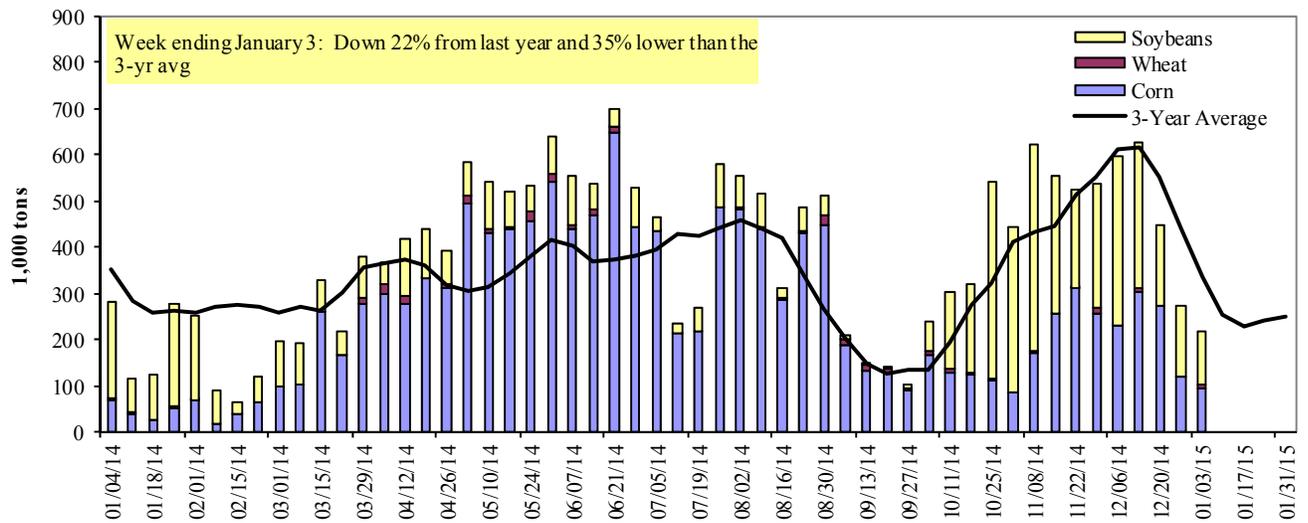
(Rate * 1976 tariff benchmark rate per ton)/100

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)

Week ending 01/03/2015	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	0	0	0	0	0
Alton, IL (L26)	92	8	115	0	216
Granite City, IL (L27)	94	8	115	0	217
Illinois River (L8)	71	14	93	2	180
Ohio River (L52)	59	0	150	0	209
Arkansas River (L1)	0	13	27	0	39
Weekly total - 2014	153	21	292	0	466
Weekly total - 2013	203	21	393	18	636
2014 YTD ¹	20,881	2,203	12,177	263	35,523
2013 YTD	9,504	4,111	10,065	255	23,935
2014 as % of 2013 YTD	220	54	121	103	148
Last 4 weeks as % of 2013 ²	130	77	100	124	110
Total 2013	9,504	4,111	10,065	255	23,935

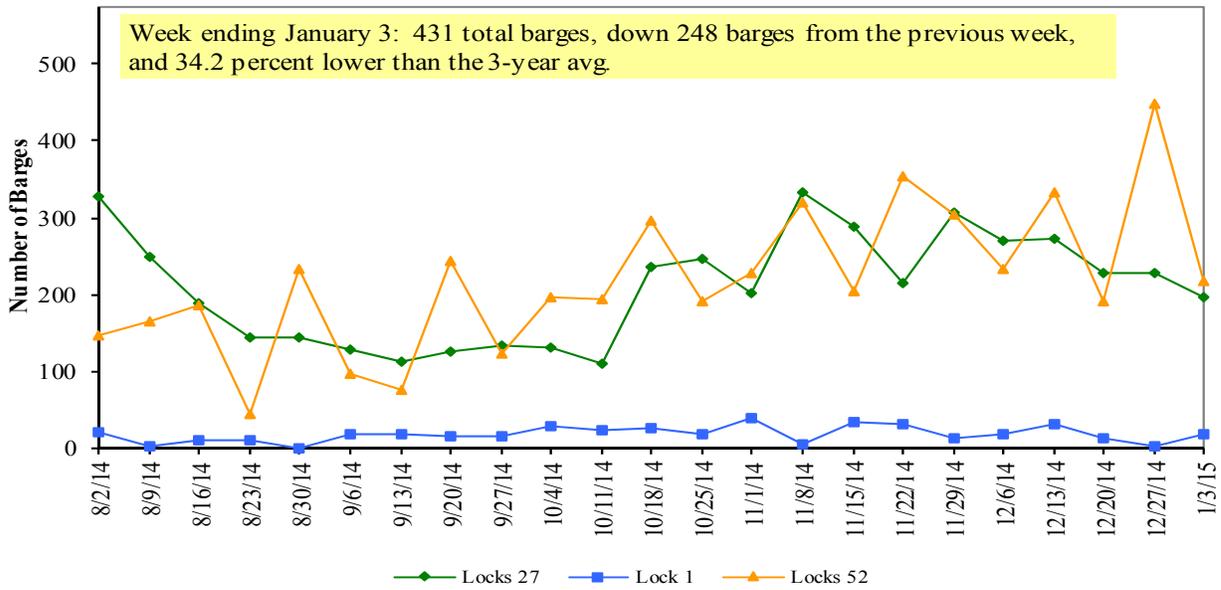
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

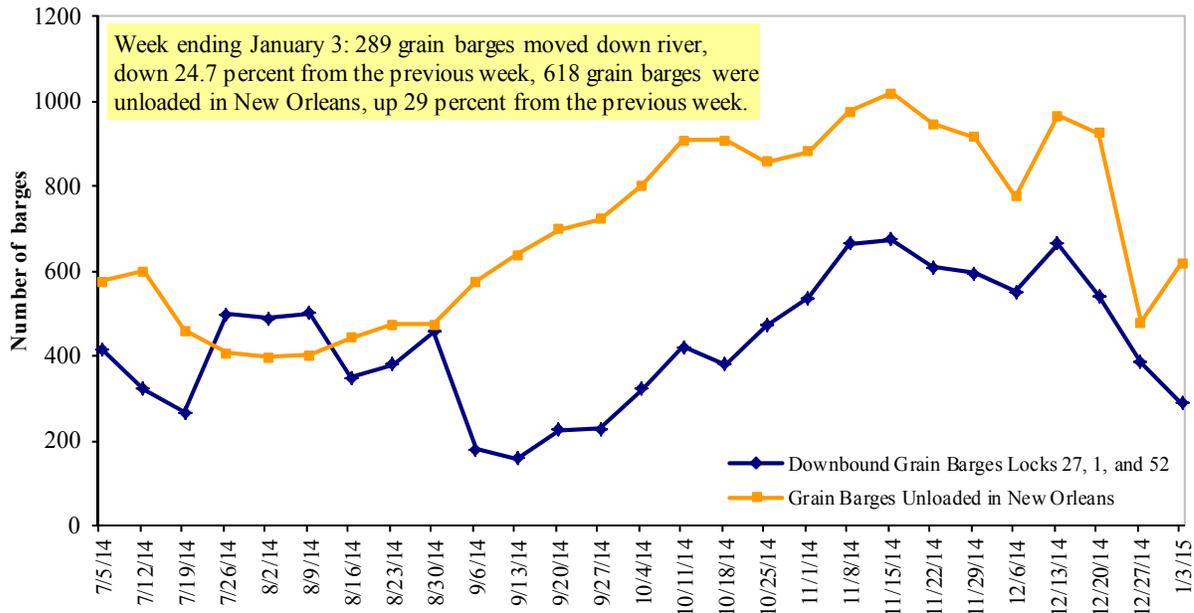
Source: U.S. Army Corps of Engineers

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 01/05/2014 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.204	-0.053	-0.746
	New England	3.287	-0.078	-0.828
	Central Atlantic	3.303	-0.047	-0.743
	Lower Atlantic	3.109	-0.052	-0.738
II	Midwest ²	3.102	-0.104	-0.786
III	Gulf Coast ³	3.045	-0.076	-0.757
IV	Rocky Mountain	3.139	-0.100	-0.762
V	West Coast	3.220	-0.049	-0.814
	West Coast less California	3.074	-0.081	-0.860
	California	3.341	-0.023	-0.778
Total	U.S.	3.137	-0.076	-0.773

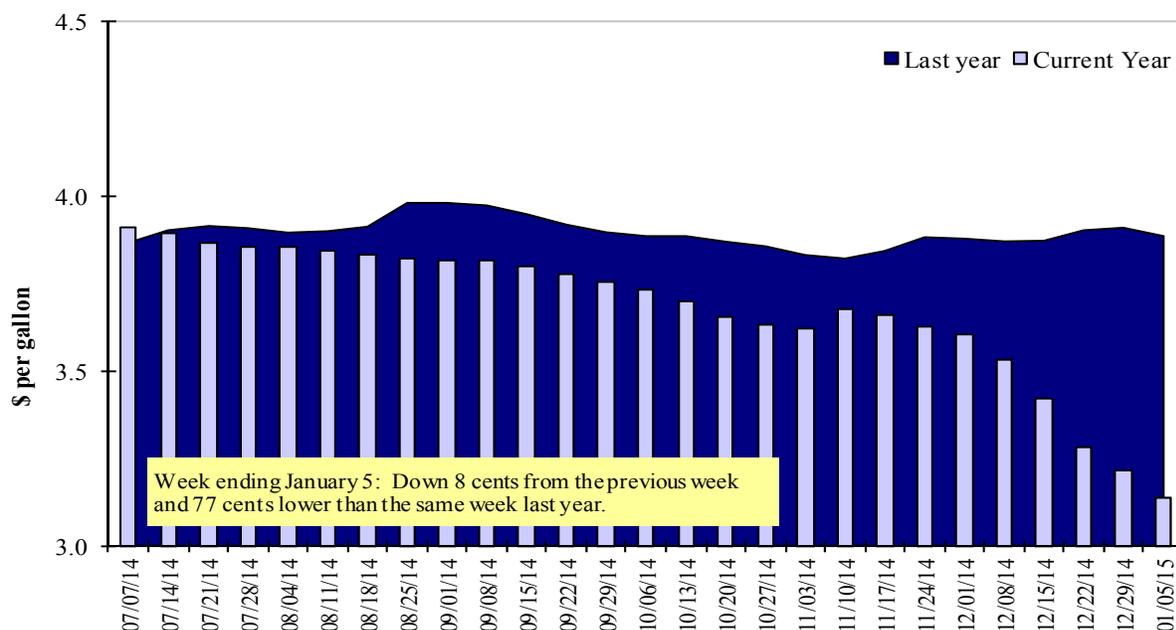
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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)

Week ending	Wheat					All wheat	Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR				
Export Balances¹									
12/25/2014	1,508	916	1,767	904	87	5,182	14,850	14,326	34,358
This week year ago	1,661	1,145	1,583	952	133	5,475	17,191	17,240	39,906
Cumulative exports-marketing year²									
2014/15 YTD	4,172	2,236	4,190	2,243	476	13,316	12,105	28,021	53,442
2013/14 YTD	7,470	5,536	3,355	2,395	249	19,003	10,875	23,356	53,234
YTD 2014/15 as % of 2013/14	56	40	125	94	191	70	111	120	100
Last 4 wks as % of same period 2013/14	90	77	105	97	78	92	83	92	88
2013/14 Total	11,465	7,307	6,338	4,367	486	29,963	46,868	44,478	121,309
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year in effect for corn and soybeans

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

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

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 12/25/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 3-year avg 2011-2013
	2014/15 Current MY	2013/14 Last MY		
- 1,000 mt -				
Japan	5,660	5,021	13	10,079
Mexico	6,448	7,748	(17)	8,145
Korea	981	1,158	(15)	2,965
Colombia	2,046	1,089	88	3,461
Taiwan	487	564	(14)	1,238
Top 5 Importers	15,623	15,580	0	25,887
Total US corn export sales⁴	26,954	28,066	(4)	34,445
% of Projected	61%	58%		
Change from prior week	843	154		
Top 5 importers' share of U.S. corn export sales	58%	56%		75%
USDA forecast, December 2014	44,450	48,700	(9)	
Corn Use for Ethanol USDA forecast, December 2014	130,810	130,404	0.3	

(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/

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

Week Ending 12/25/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg. 2011-13
	2014/15 Current MY	2013/14 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	26,498	25,720	3	24,211
Mexico	2,001	1,830	9	2,971
Indonesia	1,035	1,152	(10)	1,895
Japan	1,154	1,090	6	1,750
Taiwan	1,049	912	15	1,055
Top 5 importers	31,736	30,703	3	31,882
Total US soybean export sales	42,346	40,596	4	39,169
% of Projected	88%	91%		
Change from prior week*	611	911		
Top 5 importers' share of U.S. soybean export sales	75%	76%		81%
USDA forecast, December 2014	47,900	44,820	7	

(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/>³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)⁴Not included - FAS Press Releases: 356,000 mt (233,000 mt on 1/5 and 123,000 mt on 1/6 to China)

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 12/25/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2011-2013
	2014/15 Current MY	2013/14 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,431	1,874	30	3,243
Mexico	2,091	2,296	(9)	3,066
Nigeria	1,797	2,141	(16)	2,960
Philippines	1,522	1,356	12	2,006
China	215	4,137	(95)	1,830
Brazil	1,488	3,478	(57)	1,617
Korea	1,131	965	17	1,552
Taiwan	791	734	8	969
Indonesia	399	732	(45)	813
Colombia	509	578	(12)	610
Top 10 importers	12,373	18,290	(32)	18,665
Total US wheat export sales	18,499	24,477	(24)	27,696
% of Projected	73%	76%		
Change from prior week*	354	247		
Top 10 importers' share of U.S. wheat export sales	67%	75%		67%
USDA forecast, December 2014	25,170	32,010	(21)	

(n) indicates negative number.

¹ Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--<http://www.fas.usda.gov/esrquery/>³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 01/01/15	Previous Week ¹	Current Week as % of Previous	2015 YTD ¹	2014 YTD ¹	2015 YTD as % of 2014 YTD	Last 4-weeks as % of		Total ¹ 2014
							2014	3-yr. avg.	
Pacific Northwest									
Wheat	195	114	171	195	27	710	89	85	12,165
Corn	98	17	565	98	0	n/a	17	22	7,680
Soybeans	418	568	74	418	50	832	236	263	12,469
Total	711	700	102	711	78	914	114	128	32,314
Mississippi Gulf									
Wheat	99	17	596	99	4	n/a	32	45	4,397
Corn	346	470	74	346	101	342	110	122	30,566
Soybeans	716	675	106	716	293	244	121	159	28,371
Total	1,160	1,161	100	1,160	399	291	112	140	63,334
Texas Gulf									
Wheat	42	93	45	42	84	50	50	56	6,175
Corn	0	0	n/a	0	0	n/a	117	129	580
Soybeans	63	66	95	63	51	123	82	97	886
Total	105	159	66	105	136	78	63	71	7,640
Interior									
Wheat	16	18	85	16	0	n/a	94	115	1,381
Corn	87	105	83	87	11	813	72	71	5,516
Soybeans	101	66	152	101	26	393	76	170	4,183
Total	203	190	107	203	36	559	112	112	11,081
Great Lakes									
Wheat	0	0	n/a	0	0	n/a	133	222	909
Corn	0	0	n/a	0	0	n/a	n/a	579	302
Soybeans	0	68	0	0	0	n/a	160	231	988
Total	0	68	0	0	0	n/a	155	233	2,199
Atlantic									
Wheat	0	1	n/a	0	0	n/a	n/a	7	548
Corn	0	1	n/a	0	2	0	8	7	817
Soybeans	46	100	47	46	5	996	96	121	2,073
Total	46	101	46	46	7	707	94	115	3,438
U.S. total from ports²									
Wheat	351	243	145	351	116	302	72	81	25,574
Corn	531	593	90	531	114	466	76	90	45,462
Soybeans	1,344	1,543	87	1,344	425	316	136	171	48,970
Total	2,226	2,379	94	2,226	655	340	107	130	120,006

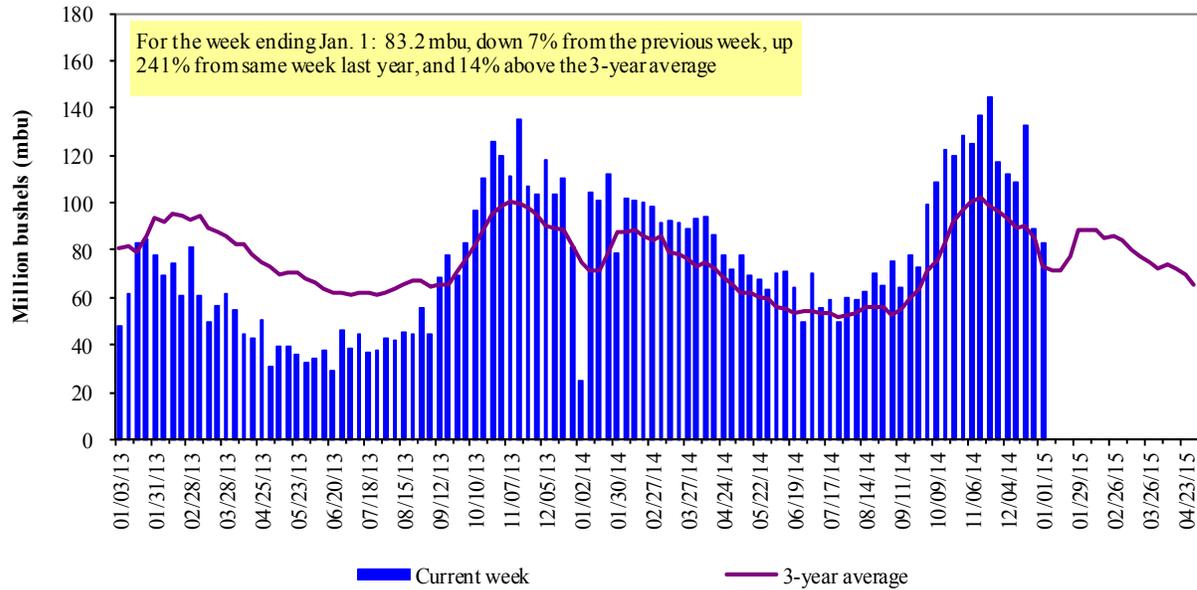
¹ Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2013.

Figure 14

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

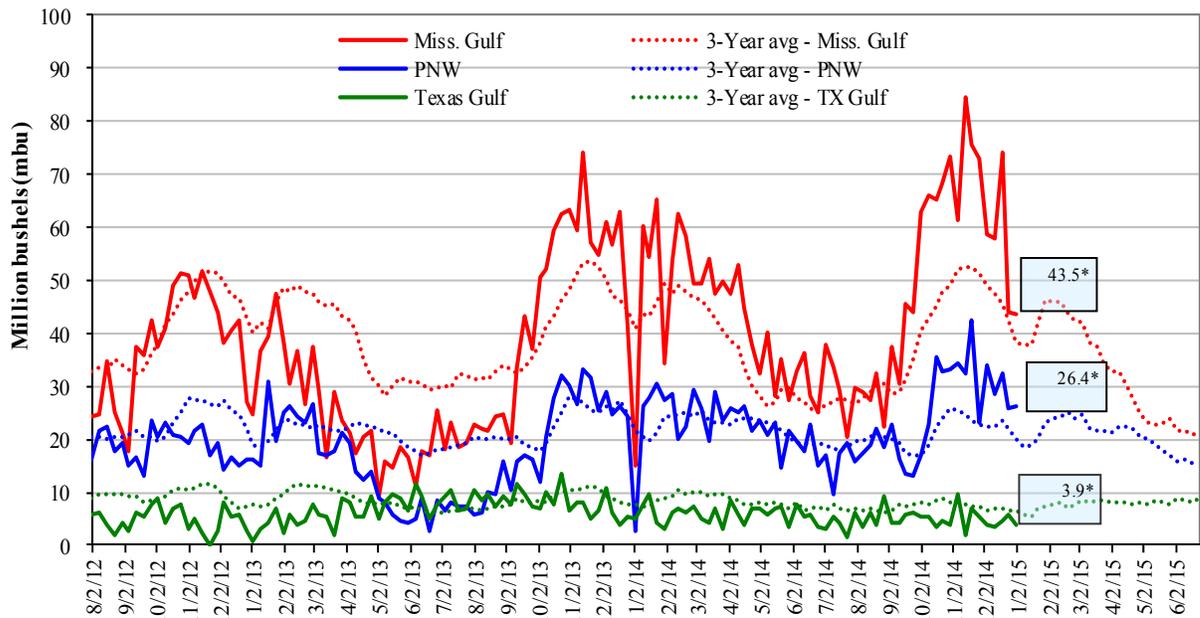


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); *mbu, this week.

<u>Jan 1: % change from:</u>	<u>MSGulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	down 1	down 34	down 5	up 2
Last year (same week)	up 192	down 22	up 138	up 823
3-yr avg. (4-wk mov. avg.)	up 13	down 12	up 10	up 172

Ocean Transportation

Table 17

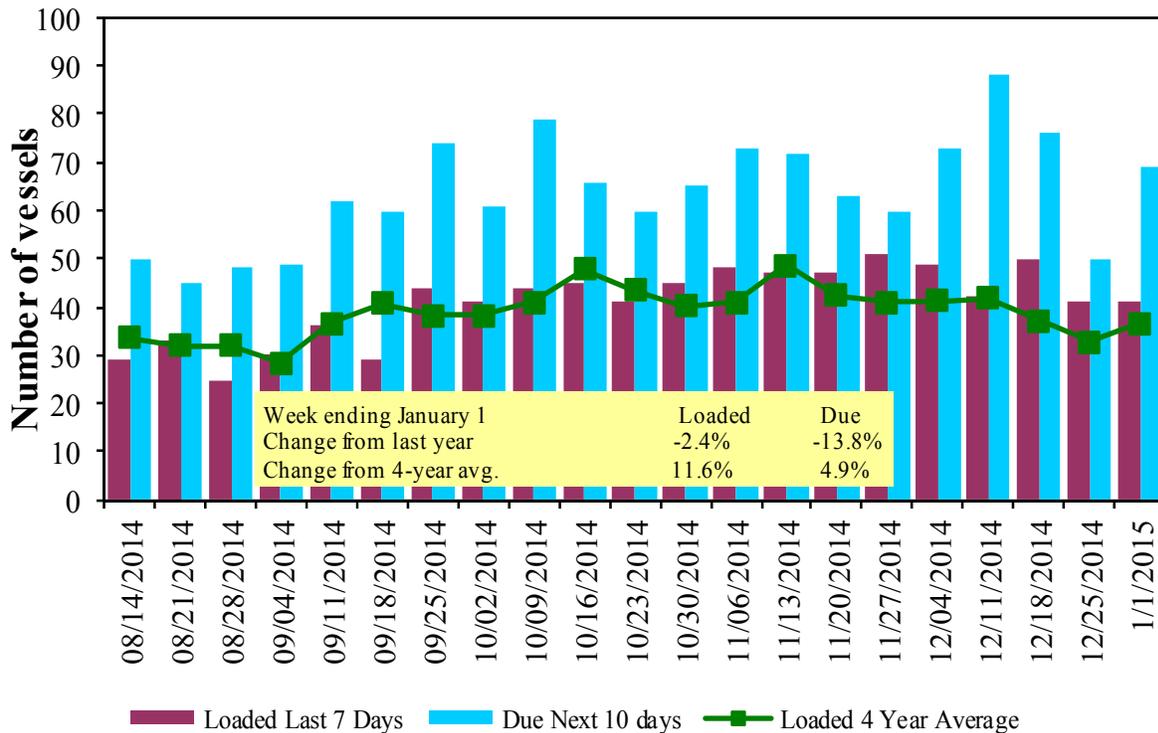
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
1/1/2015	31	41	69	12	n/a
12/25/2014	40	41	50	14	n/a
2014 range	(18..88)	(24..52)	(27..97)	(6..26)	n/a
2014 avg	46	39	59	15	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity

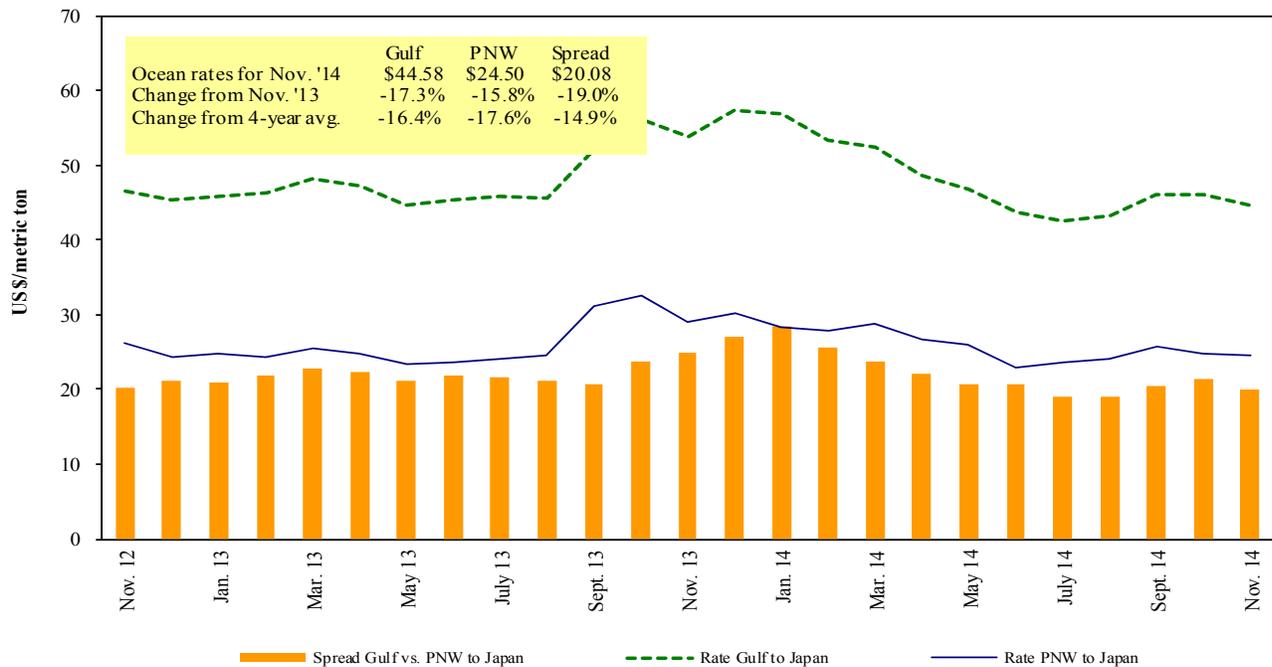


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 1/3/2015

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Kenya ¹	Sorghum	Jan 2/12	10,000	91.35
U.S. Gulf	China	Heavy Grain	Dec 15/30	5,500	40.25
U.S. Gulf	China	Heavy Grain	Dec 15/20	55,000	50.00
U.S. Gulf	China	Heavy Grain	Dec 10/17	55,000	41.75
U.S. Gulf	China	Heavy Grain	Dec 10/20	60,000	41.25
U.S. Gulf	China	Heavy Grain	Nov 20/30	60,000	44.75
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	44.25
U.S. Gulf	China	Heavy Grain	Nov 10/20	60,000	44.25
U.S. Gulf	China	Heavy Grain	Nov 5/15	60,000	45.25
U.S. Gulf	China	Heavy Grain	Nov 1/8	58,000	46.00
U.S. Gulf	Brazil	Wheat	Nov 8/14	25,000	22.00
U.S. Gulf	Djibouti ¹	Wheat/Sorghum	Nov 20/30	22,000	68.50
PNW	China	Heavy Grain	Nov 1/30	60,000	26.50
PNW	China	Grain	Oct 20/30	60,000	23.00

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

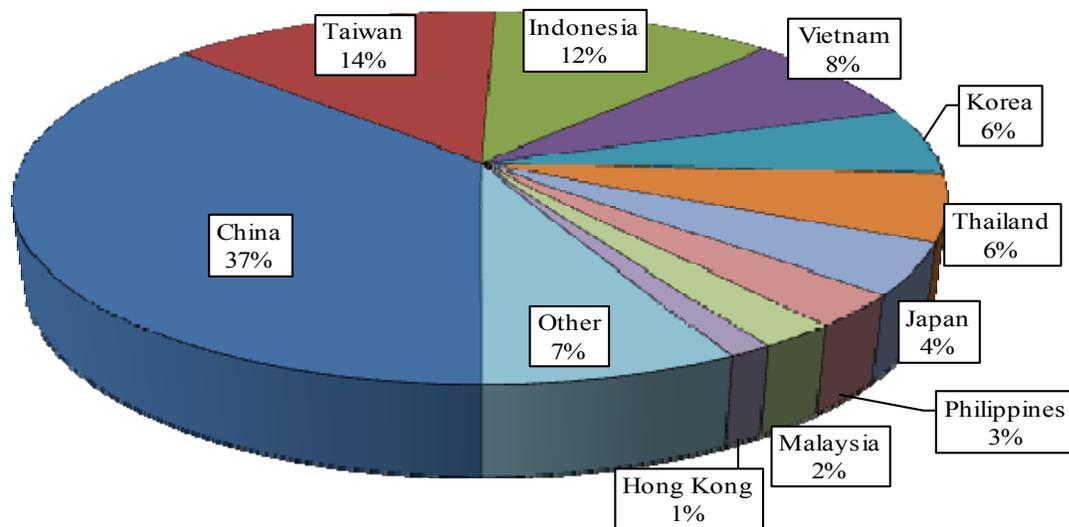
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2013, containers were used to transport 10 percent of total U.S. waterborne grain exports, up 2 percentage points from 2012. Approximately 61 percent of U.S. waterborne grain exports in 2013 went to Asia, of which 16 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—97 percent in 2013.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, January-October, 2014

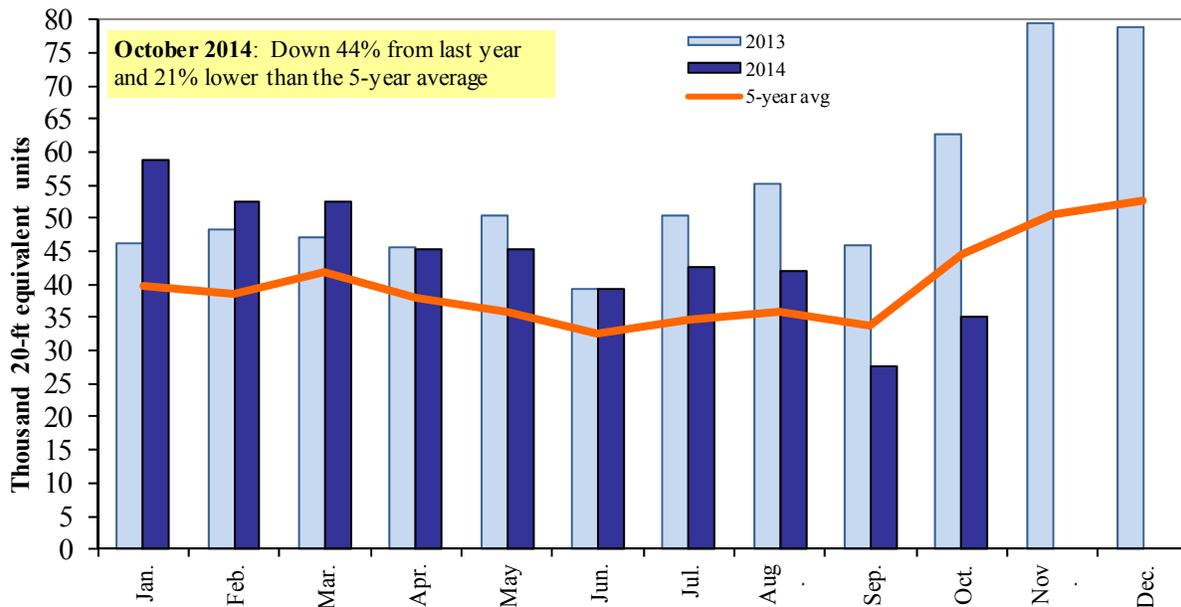


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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