



Grain Transportation Report

A weekly publication of the
 Transportation and Marketing Programs/Transportation Services Division
www.ams.usda.gov/GTR

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January 10, 2013

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WEEKLY HIGHLIGHTS

Barge Rates Fall: Corps Continues River Improvements, Shippers Making Limited Use of Barges

The current barge rate from St. Louis to New Orleans dropped 32 percent this week to \$13.57 per ton, down from the high levels near \$20 per ton in mid-December. Barge rates have dropped as short-term barge demand has fallen; many shippers moved product in early December, anticipating navigation difficulties due to low flows. In addition, the estimated amount of grain to be shipped is lower than usual this year due to the 2012 drought. The U.S. Army Corps of Engineers (Corps) is continuing to remove a large portion of the hazardous rock pinnacles near Grand Tower and Thebes, IL. As of January 6, the Thebes pinnacle removal project is 32 percent complete with an expected completion by the end of January. Freezing in the Upper Mississippi River has reduced runoff. In order to replace the runoff loss, the Corps is releasing water from Carlyle Lake through January 13, which will provide an additional 6 inches of water flow in the vicinity of the rock removal operations. Some barge companies are moving additional barges upstream in anticipation of freer flowing traffic. However, there remains uncertainty about the feasibility of navigation in the pinnacles area over the near term. In recent weeks, more grain is moving to New Orleans and other destinations, such as the Texas Gulf, by rail. Some grain probably is also being moved into alternative domestic markets or is being temporarily stored until the low flow conditions abate.

Weekly Rail Carloadings of Grain Near Record Low since 1995

U.S. railroads originated 13,328 **carloads of grain** during the week ending December 29, down 34 percent from last week, 25 percent from last year, and 27 percent lower than the 3-year average. It was only the second time since 1995 that weekly grain carloadings have fallen this low; the first being in the week ending December 27, 2008, at 11,577. Total weekly carloads originated for all commodities by U.S. railroads during the week ending December 29 were at their third lowest level in 10 years, surpassed only by the same weeks in 2008 and 2009 during the recession. Historically, carloadings decrease during the final week of the year, corresponding with the holidays. However, this year's extra low weekly year-end carloadings were also impacted by the reduction in grain shipments due to this year's drought.

Weekly Grain Inspections Lowest Since September

For the week ending January 3, **total inspections of grain** (corn, wheat, and soybeans) from all major export regions totaled 1.25 million metric tons (mmt), down 10 percent from the past week and 5 percent below last year this time. Grain inspections were the lowest since September 6, 2012 (1.18 mmt), before the harvest began to pick up. Corn inspections (.160 mmt) decreased 21 percent from the past week and soybeans (.853 mmt) dropped 13 percent. Despite the drop in total grain inspected for export, wheat inspections totaled .237 mmt, up 12 percent from the previous week. Shipments of wheat rebounded, primarily to Asia from the Pacific Northwest. Outstanding export sales of wheat were also up for the fourth consecutive week.

Diesel Fuel Prices End 2012 Below Average

U.S. average diesel fuel prices ended 2012 five cents lower than the yearly average and at the lowest level since August 2012. According to the Energy Information Administration, diesel prices fell a cumulative 12 cents in the last 5 weeks of the year because of soft crude oil prices. Diesel prices, however, did not see the significant fall in December that regular gasoline prices experienced because of continued tight market conditions and strong demand for diesel fuel exports. During the week ending January 7, U.S. average **diesel fuel prices** fell another 1 cent from the previous week to \$3.91 per gallon, 8 cents higher than the same week last year.

Snapshots by Sector

Rail

During the week ending January 3, average January non-shuttle **secondary railcar bids/offers per car** were \$12.50 above tariff, the same as last week, and \$6.50 higher than last year. Average shuttle bids/offers were \$2 above tariff, down \$58.50 from last week, and \$271 higher than last year.

Barge

During the week ending January 5, **barge grain movements** totaled 388,000 tons, 19 percent higher than the previous week but 23.8 percent lower than the same period last year.

During the week ending January 5, 252 grain barges **moved down river**, up 26.6 percent from last week; 427 grain barges were **unloaded in New Orleans** down 28.8 percent from the previous week.

Ocean

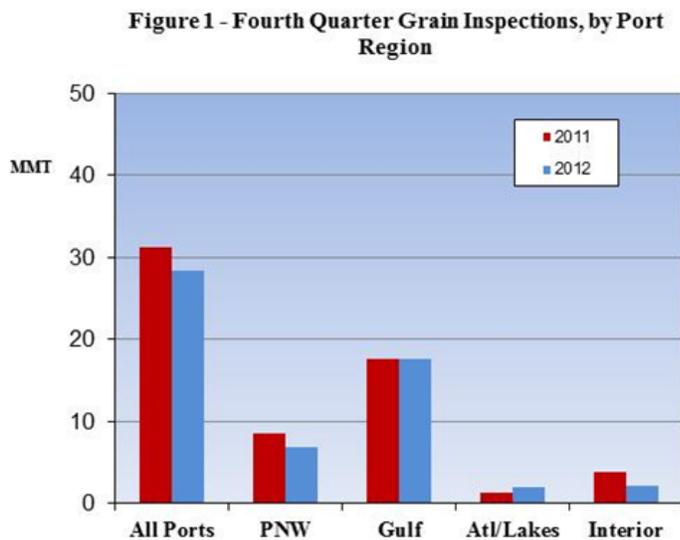
During the week ending January 3, 27 **ocean-going grain vessels** were loaded in the Gulf, 33 percent less than the same period last year. Forty-seven vessels are expected to be loaded within the next 10 days, 23 percent lower than the same period last year.

During the week ending January 4, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$44.50 per mt, 1 percent more than the previous week. The cost of shipping from the Pacific Northwest to Japan was \$24 per mt, unchanged from the previous week.

Feature Article/Calendar

Fourth Quarter Grain Inspections Below Last Year

The amount of grain (wheat, corn, and soybeans) inspected for export at major U.S. ports by the Grain Inspection, Packers, and Stockyards Administration (GIPSA) during the fourth quarter totaled 28.31 million metric tons (mmt)(figure 1), 10 percent below the fourth quarter of 2011 and 15 percent below the 5-year average. Inspections decreased because of reduced corn and wheat crops and increased competition from other grain-producing countries. Shipments of corn to Mexico and Asia dropped notably compared to last year. U.S. corn production in 2012 was down because of the drought, which tightened stocks and reduced corn inspections 62 percent from this time last year. U.S. inspections of soybeans, however, continued to increase, as shipments to China rose from the fourth quarter of last year.



According to GIPSA, U.S. Gulf grain inspections were largely unchanged from last year despite the drought and slower barge movements on the Mississippi River. Fourth quarter **barge movements** on the Mississippi River dropped 18 percent from last year as low water levels slowed movements. Total rail deliveries of grain during the fourth quarter to all major export regions were down from last year. However, rail deliveries of grain to the Mississippi Gulf increased 235 percent from this time last year because of the increase in demand for rail service brought about by low water levels on the river.

Fourth quarter Pacific Northwest (PNW) grain inspections reached 6.91 mmt, down 19 percent from last year and 21 percent below the 5-year average. The decrease was caused by a 74-percent drop in PNW corn inspections. Rail deliveries of grain to the PNW, however, increased 37 percent from last year during the fourth quarter, as demand for soybeans remained strong. Although the fourth quarter ocean rate spread between the PNW and U.S. Gulf was higher than the third quarter 2012 and the fourth quarter last year, PNW shipments did not increase as they normally do with a higher spread because overall ocean rates continued to drop. An increased spread normally gives the PNW shipping a competitive edge over the U.S. Gulf, but the edge was tempered this year because of a continuing drop in overall ocean rates.

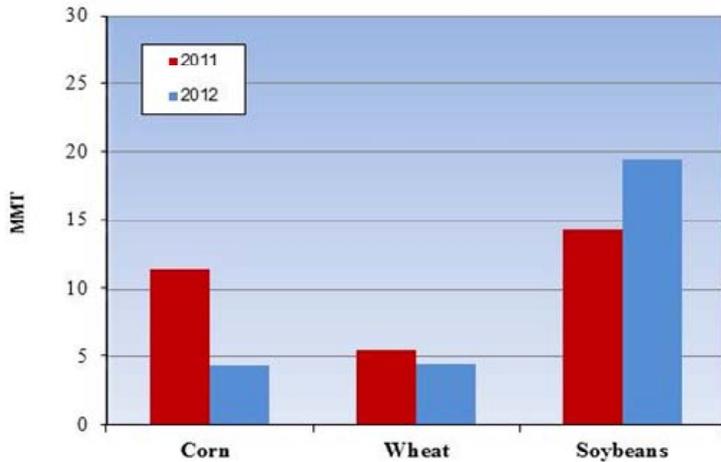
Atlantic/Great Lakes grain inspections (1.67 mmt) increased 28 percent from last year, primarily because of increased soybean inspections. Interior (land-based) inspections of grain (2.08 mmt) decreased 44 percent from last year and were 31 percent below the 5-year average. Interior corn inspections dropped 65 percent from last year.

Corn Inspections Lowest on Record

Inspections of corn reached 4.36 mmt during the fourth quarter, down 62 percent from last year (figure 2), reaching the lowest on record for the fourth quarter. PNW corn inspections (.594 mmt) dropped 74 percent as shipments to Asia declined. U.S. Gulf corn inspections (3.02 mmt) decreased 56 percent from last year due to the U.S. drought. Unshipped export sales of corn

averaged 7.15 mmt during the fourth quarter, down 50 percent from last year. U.S. corn exports could rebound in 2013 due to increased production and higher demand.

Figure 2 - Fourth Quarter Grain Inspections, by Types



Fourth quarter soybean inspections reached 19.43 mmt, 35 percent above last year and 26 percent above the 5-year average. The increase was driven by increased demand from China and other Asian countries. U.S. soybean shipments to China increased 23 percent from last year during the fourth quarter. Soybean inspections increased 48 percent in the U.S. Gulf, to 12.54 mmt. PNW soybean inspections reached 4.35 mmt, 24 percent above last year and 5 percent above the 5-year average. The Atlantic/Great Lakes soybean inspections totaled 1.44 mmt, up 53 percent from last year and 49

percent above the 5-year average. Outstanding (unshipped) export sales of soybeans averaged 18.11 mmt during the fourth quarter, up 50 percent (from 12.20 mmt) from last year at this time.

Fourth quarter wheat inspections reached 4.52 mmt, down 18 percent from last year and 32 percent below the 5-year average (figure 2). Unshipped export sales of wheat were 47 percent below last year, averaging only 4.40 mmt. Gulf wheat inspections (2.09 mmt) decreased 9 percent from the previous year because of reduced shipments to Africa and Latin America. PNW wheat inspections reached a record low of 1.96 mmt, down 29 percent from last year and 24 percent below the 5-year average. The Atlantic/Great Lakes wheat inspections (.213 mmt) also reached the lowest level on record. Johnny.Hill@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
01/09/13	262	233	211	207	197	170
01/02/13	263	234	214	278	199	170

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)

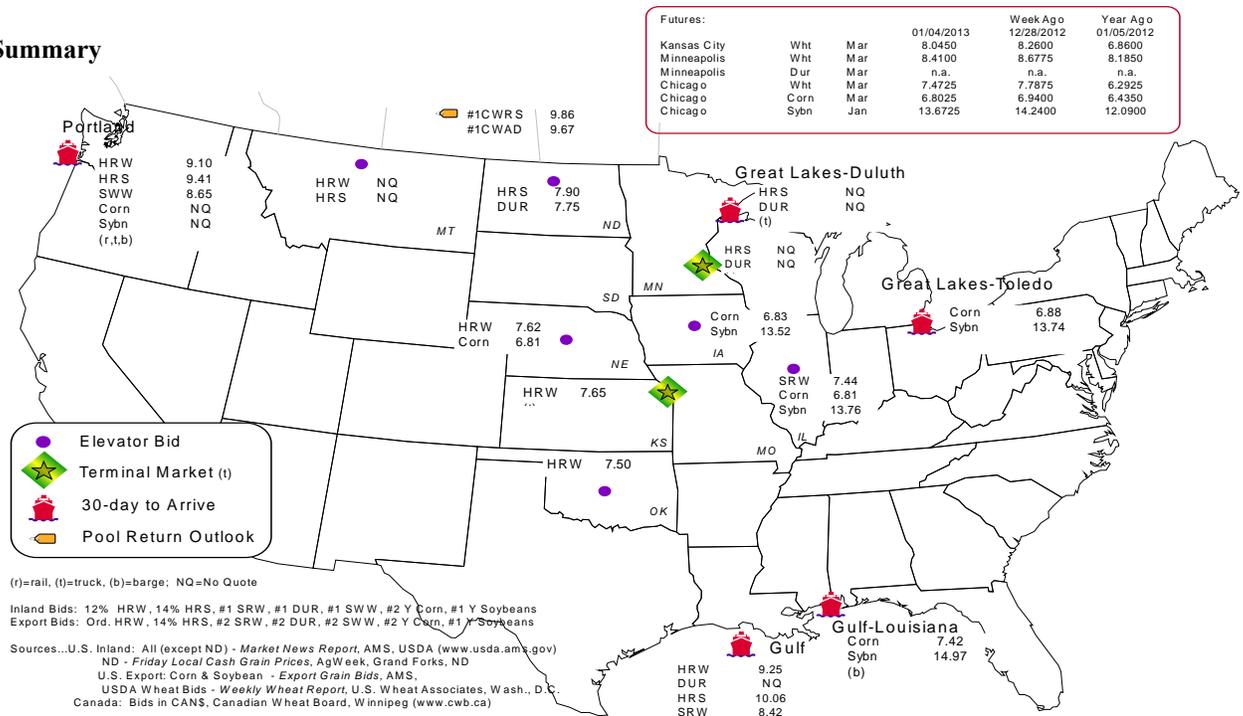
Commodity	Origin--Destination	1/3/2013	12/27/2012
Corn	IL--Gulf	-0.61	-0.55
Corn	NE--Gulf	-0.61	-0.52
Soybean	IA--Gulf	-1.45	-1.35
HRW	KS--Gulf	-1.60	-1.62
HRS	ND--Portland	-1.51	-1.74

Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 1
Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
01/02/2013 ^p	1,015	747	3,677	893	6,332	12/29/12	856
12/26/2012 ^r	1,402	510	3,821	803	6,536	12/22/12	1,187
2013 YTD ^r	1,015	747	3,677	893	6,332	2012 YTD	92,864
2012 YTD ^r	25	995	4,668	348	6,036	2011 YTD	98,050
2013 YTD as % of 2012 YTD	4,060	75	79	257	105	% change YTD	95
Last 4 weeks as % of 2012 ²	2,422	104	70	194	101	Last 4wks % 2011	58
Last 4 weeks as % of 4-year avg. ²	196	59	97	131	104	Last 4wks % 4 yr	71
Total 2012	22,604	40,780	199,419	25,552	287,462	Total 2011	97,118
Total 2011	27,358	77,515	191,187	24,088	320,148	Total 2010	90,175

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2011 and prior 4-year average.

³ Cross-border weekly data is approximately 15 percent below weekly AAR carloads received by Mexican railroads to reflect within switching between KCSM and FerroMe

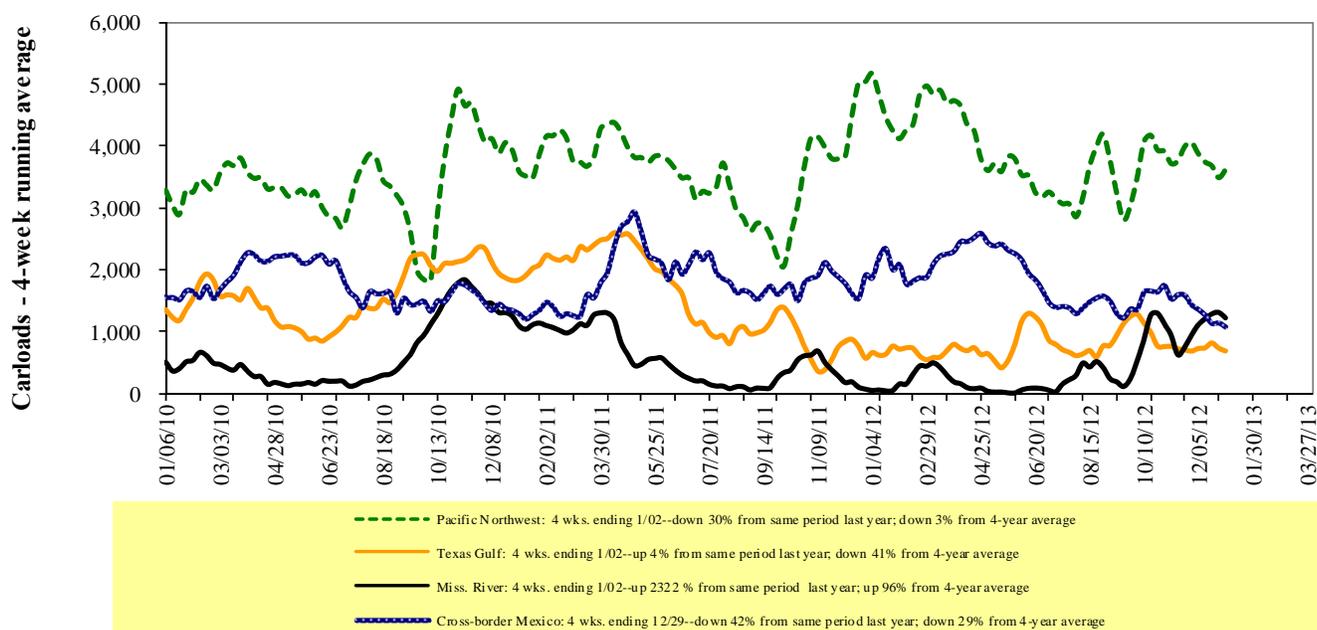
YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available

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

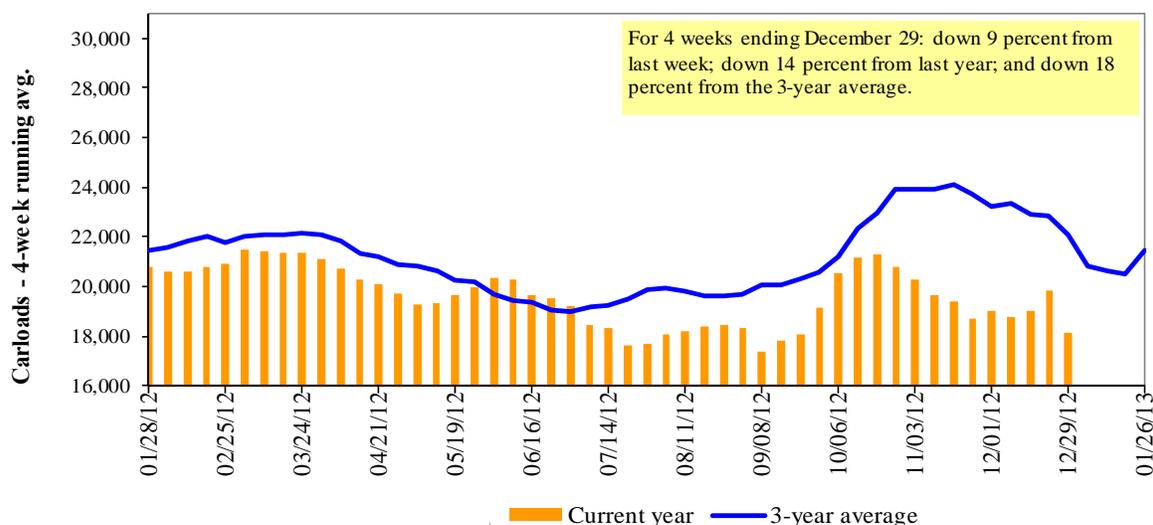
Table 4

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
12/29/12	980	1,883	7,502	309	2,654	13,328	3,586	4,348
This week last year	1,881	2,417	8,841	403	4,206	17,748	3,232	3,212
2012 YTD	85,384	145,336	515,638	26,936	244,077	1,017,371	204,068	266,266
2011 YTD	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399
2012 YTD as % of 2011 YTD	87	96	94	78	83	91	102	99
Last 4 weeks as % of 2011 ¹	67	101	90	99	77	86	102	113
Last 4 weeks as % of 3-yr avg. ¹	69	95	94	85	74	87	111	127
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

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-13	Jan-12	Feb-13	Feb-12	Mar-13	Mar-12	Apr-13	Apr-12
BNSF ³								
COT grain units	no bids	no bids	no bids	no bids	no bids	no bids	no bids	no bids
COT grain single-car ⁵	0 . . 152	0	0	10	0	no bids	0	no bids
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	1	no bids	no bids	no bids	no bids	n/a	n/a

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

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

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

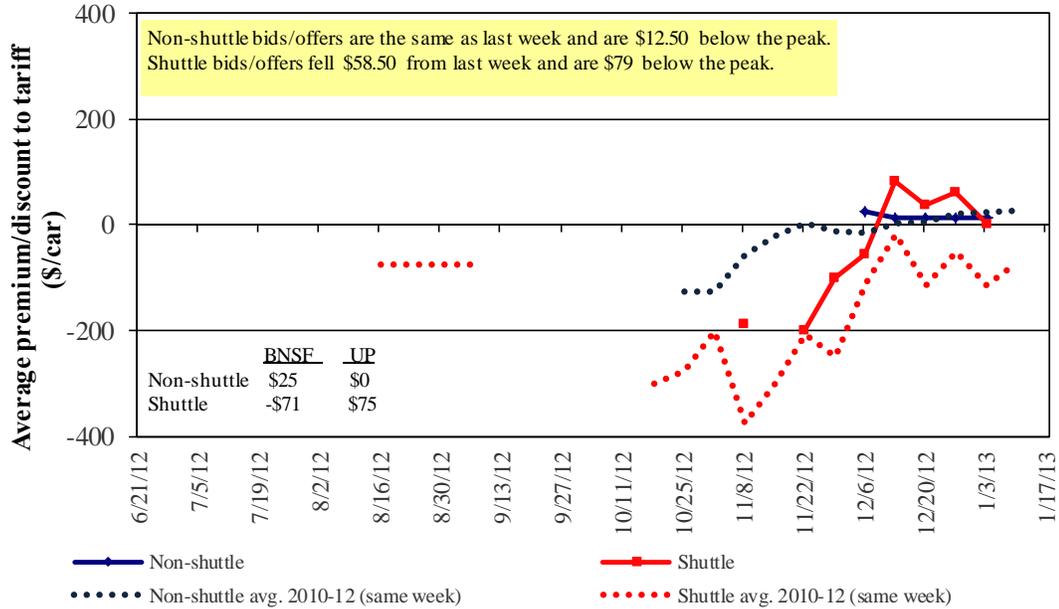
⁵Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

Bids/Offers for Railcars to be Delivered in January 2013, Secondary Market

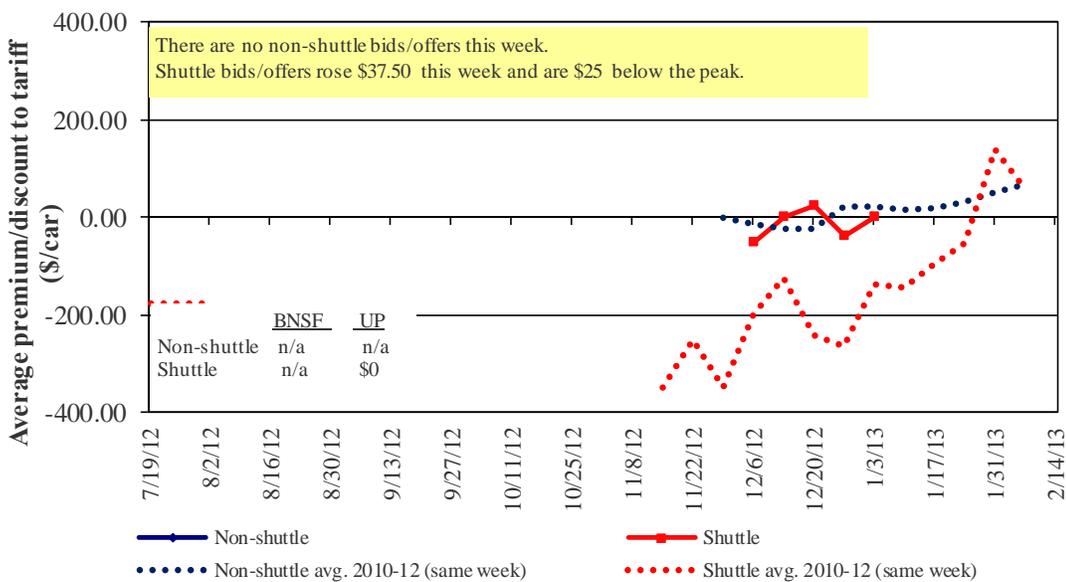


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

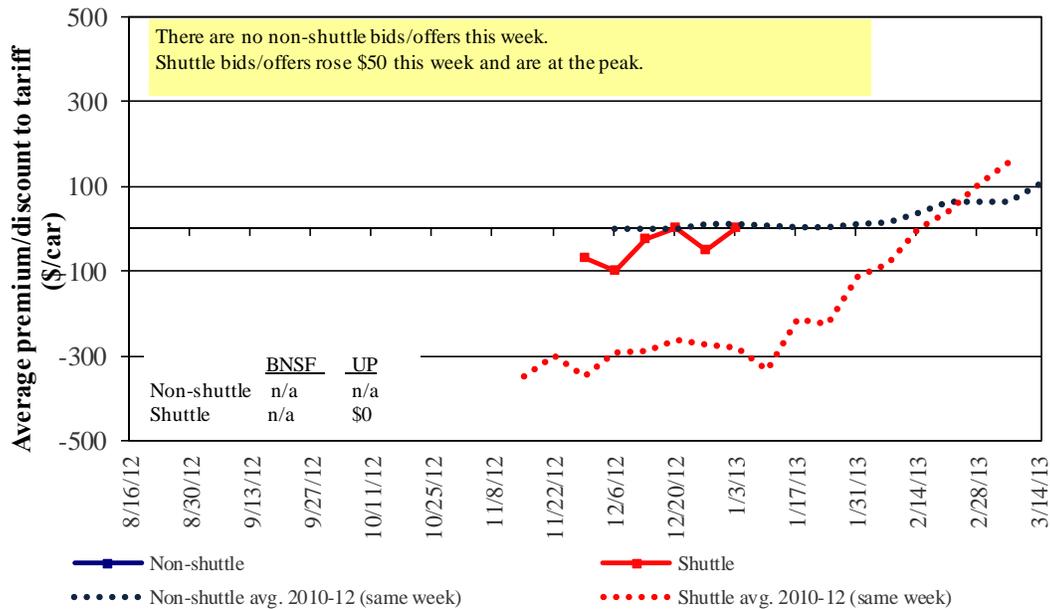
Bids/Offers for Railcars to be Delivered in February 2013, Secondary Market



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 2013, 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-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
1/3/2013						
Non-shuttle						
BNSF-GF	25	n/a	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	38	n/a	n/a	n/a	n/a	n/a
UP-Pool	-	n/a	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	(25)	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(71)	n/a	n/a	n/a	n/a	n/a
Change from last week	(117)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	354	n/a	n/a	n/a	n/a	n/a
UP-Pool	75	-	-	n/a	n/a	n/a
Change from last week	-	(25)	-	n/a	n/a	n/a
Change from same week 2011	188	238	250	n/a	n/a	n/a

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

² Shuttle 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 Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:				Fuel	Tariff plus surcharge per:		Percent
1/1/2013	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ^l ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,144	\$197	\$33.18	\$0.90	5
	Grand Forks, ND	Duluth-Superior, MN	\$3,543	\$113	\$36.31	\$0.99	14
	Wichita, KS	Los Angeles, CA	\$6,026	\$581	\$65.61	\$1.79	5
	Wichita, KS	New Orleans, LA	\$3,645	\$347	\$39.64	\$1.08	4
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$477	\$60.08	\$1.64	3
	Northwest KS	Galveston-Houston, TX	\$3,912	\$380	\$42.62	\$1.16	4
	Amarillo, TX	Los Angeles, CA	\$4,112	\$529	\$46.09	\$1.25	4
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,110	\$392	\$34.78	\$0.95	2
	Toledo, OH	Raleigh, NC	\$4,508	\$442	\$49.15	\$1.34	13
	Des Moines, IA	Davenport, IA	\$2,006	\$83	\$20.75	\$0.56	4
	Indianapolis, IN	Atlanta, GA	\$3,920	\$332	\$42.22	\$1.15	15
	Indianapolis, IN	Knoxville, TN	\$3,354	\$213	\$35.42	\$0.96	17
	Des Moines, IA	Little Rock, AR	\$3,154	\$244	\$33.75	\$0.92	3
Soybeans	Des Moines, IA	Los Angeles, CA	\$5,065	\$711	\$57.36	\$1.56	2
	Minneapolis, MN	New Orleans, LA	\$3,674	\$425	\$40.70	\$1.11	5
	Toledo, OH	Huntsville, AL	\$3,575	\$314	\$38.62	\$1.05	2
	Indianapolis, IN	Raleigh, NC	\$4,578	\$445	\$49.88	\$1.36	3
	Indianapolis, IN	Huntsville, AL	\$3,267	\$213	\$34.55	\$0.94	2
Champaign-Urbana, IL	New Orleans, LA	\$3,599	\$392	\$39.64	\$1.08	5	
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$4,639	\$334	\$49.39	\$1.34	40
	Wichita, KS	Galveston-Houston, TX	\$3,634	\$260	\$38.67	\$1.05	15
	Chicago, IL	Albany, NY	\$3,771	\$414	\$41.56	\$1.13	3
	Grand Forks, ND	Portland, OR	\$5,061	\$578	\$55.99	\$1.52	7
	Grand Forks, ND	Galveston-Houston, TX	\$6,082	\$602	\$66.37	\$1.81	6
	Northwest KS	Portland, OR	\$4,880	\$624	\$54.65	\$1.49	3
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$703	\$54.65	\$1.49	0
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$644	\$53.67	\$1.46	0
	Champaign-Urbana, IL	New Orleans, LA	\$2,929	\$392	\$32.98	\$0.90	2
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$375	\$36.60	\$1.00	0
	Des Moines, IA	Amarillo, TX	\$3,510	\$307	\$37.90	\$1.03	2
	Minneapolis, MN	Tacoma, WA	\$4,800	\$698	\$54.59	\$1.49	0
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,200	\$722	\$48.87	\$1.33	0
	Sioux Falls, SD	Tacoma, WA	\$5,320	\$644	\$59.23	\$1.61	5
	Minneapolis, MN	Portland, OR	\$5,330	\$703	\$59.91	\$1.63	6
	Fargo, ND	Tacoma, WA	\$5,230	\$573	\$57.62	\$1.57	6
	Council Bluffs, IA	New Orleans, LA	\$3,950	\$452	\$43.72	\$1.19	6
	Toledo, OH	Huntsville, AL	\$2,750	\$314	\$30.42	\$0.83	3
Grand Island, NE	Portland, OR	\$4,960	\$638	\$55.60	\$1.51	9	

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

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$6,762	\$611	\$75.34	\$2.05	-12
	OK	Cuautitlan, EM	\$6,552	\$742	\$74.53	\$2.03	-2
	KS	Guadalajara, JA	\$7,444	\$717	\$83.39	\$2.27	-2
	TX	Salinas Victoria, NL	\$3,553	\$280	\$39.16	\$1.06	-3
Corn	IA	Guadalajara, JA	\$7,699	\$843	\$87.28	\$2.21	-1
	SD	Celaya, GJ ⁵	\$7,356	\$800	\$83.33	\$2.11	n/a
	NE	Queretaro, QA	\$7,153	\$749	\$80.74	\$2.05	1
	SD	Salinas Victoria, NL	\$5,700	\$608	\$64.45	\$1.64	1
	MO	Tlalnepantla, EM	\$6,592	\$728	\$74.79	\$1.90	4
	SD	Torreon, CU	\$6,522	\$670	\$73.48	\$1.86	0
Soybeans	MO	Bojay (Tula), HG	\$7,580	\$711	\$84.72	\$2.30	6
	NE	Guadalajara, JA	\$8,134	\$814	\$91.42	\$2.49	1
	IA	El Castillo, JA	\$8,555	\$795	\$95.53	\$2.60	4
	KS	Torreon, CU	\$6,651	\$505	\$73.11	\$1.99	2
Sorghum	TX	Guadalajara, JA	\$6,464	\$520	\$71.36	\$1.81	-2
	NE	Celaya, GJ ⁵	\$6,997	\$726	\$78.90	\$2.00	n/a
	KS	Queretaro, QA	\$6,815	\$456	\$74.29	\$1.89	5
	NE	Salinas Victoria, NL	\$5,438	\$534	\$61.01	\$1.55	6
	NE	Torreon, CU	\$6,153	\$596	\$68.96	\$1.75	0

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

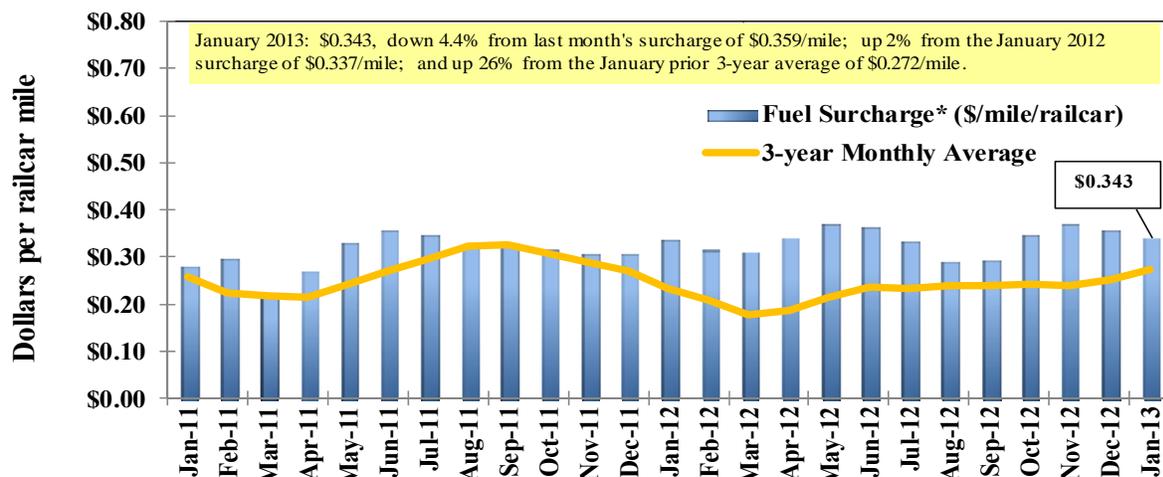
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵Beginning 11/1/12, Celaya, GJ, replaced Penjamo, GJ, as the destination.

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.

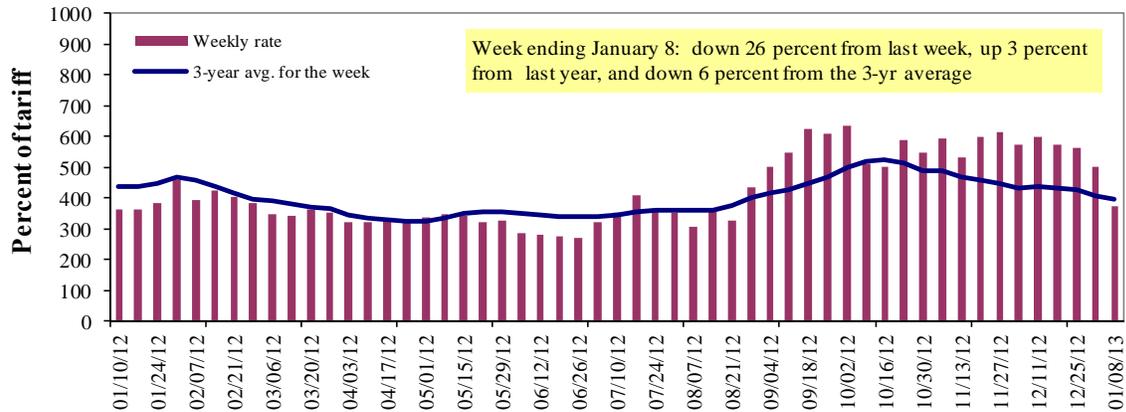
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

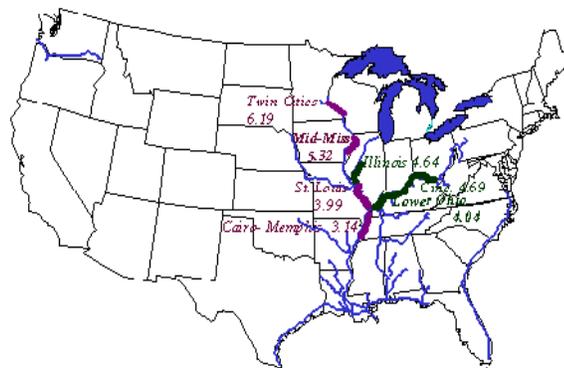
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	1/8/2013	-	-	373	340	275	275	193
	1/1/2013	-	-	500	450	350	350	250
\$/ton	1/8/2013	-	-	17.31	13.57	12.90	11.11	6.06
	1/1/2013	-	-	23.20	17.96	16.42	14.14	7.85
Current week % change from the same week:								
	Last year	-	-	3	28	-20	-20	-18
	3-year avg. ²	-	-	-6	16	-21	-21	-27
Rate¹	February	-	-	368	338	268	268	195
	April	405	343	335	295	263	263	183

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; - closed for winter or no rates

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



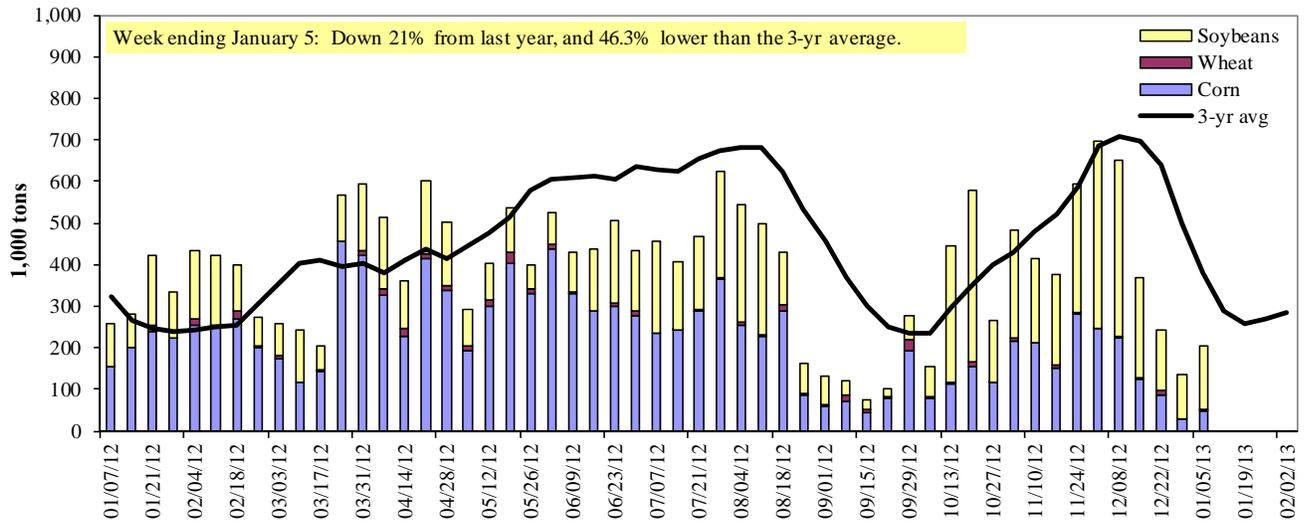
Calculating barge rate per ton:

(Index * 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 (see figure 9).

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 1/5/2013	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	0	0	20	0	20
Alton, IL (L26)	42	2	76	0	120
Granite City, IL (L27)	48	2	154	0	204
Illinois River (L8)	30	2	75	0	106
Ohio River (L52)	13	3	113	4	132
Arkansas River (L1)	0	17	35	0	52
Weekly total - 2013	61	22	302	4	388
Weekly total - 2012	255	21	233	0	509
2013 YTD ¹	61	22	302	4	388
2012 YTD	255	21	233	0	509
2013 as % of 2012 YTD	24	103	129	-	76
Last 4 weeks as % of 2012 ²	31	32	107	111	66
Total 2012	14,837	1,794	12,663	229	29,523

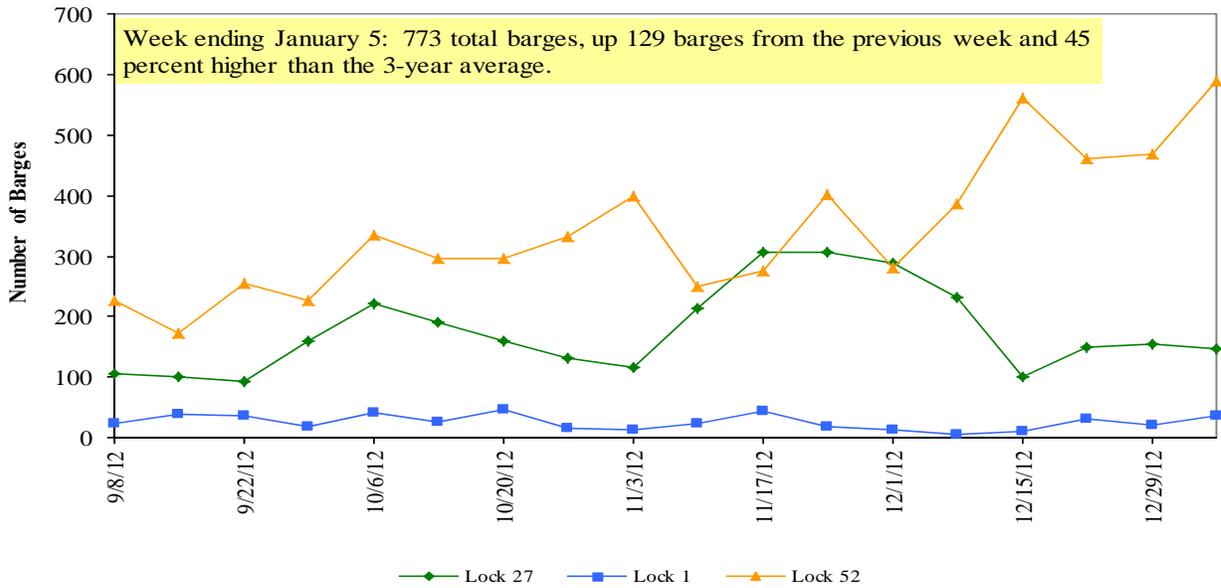
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2012.

Note: Total may not add exactly, due to rounding

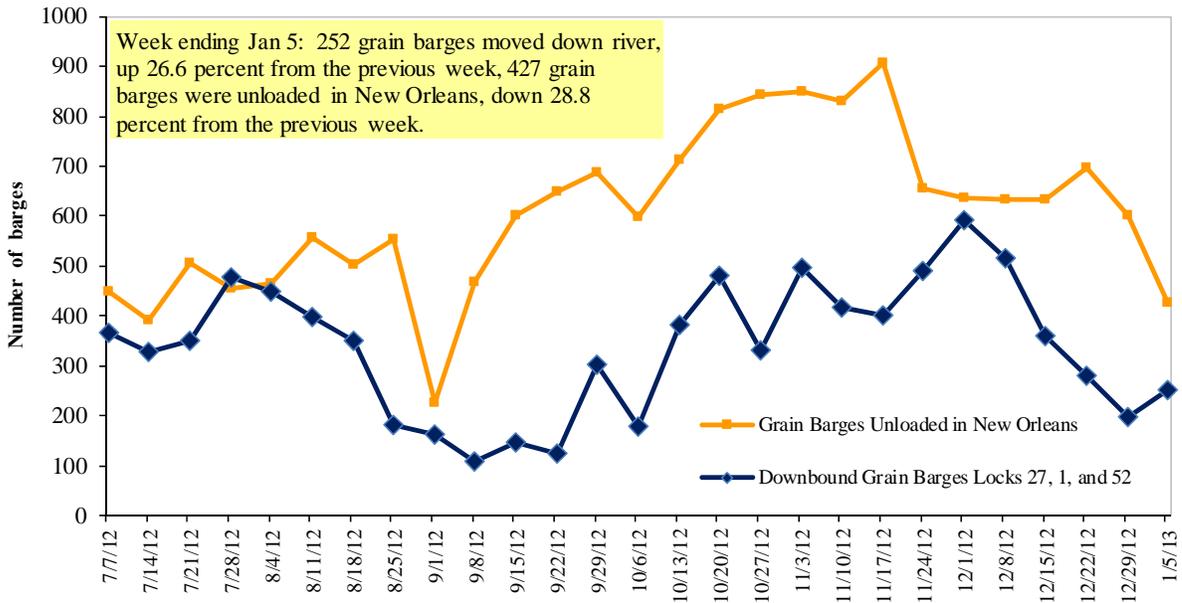
Source: U.S. Army Corps of Engineers

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 1/7/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.006	0.000	0.098
	New England	4.153	-0.001	0.124
	Central Atlantic	4.107	0.002	0.111
	Lower Atlantic	3.902	-0.002	0.082
II	Midwest ²	3.870	-0.015	0.153
III	Gulf Coast ³	3.837	0.007	0.087
IV	Rocky Mountain	3.688	-0.058	-0.155
V	West Coast	3.988	-0.003	-0.038
	West Coast less California	3.918	-0.010	-0.009
	California	4.048	0.003	-0.063
Total	U.S.	3.911	-0.007	0.083

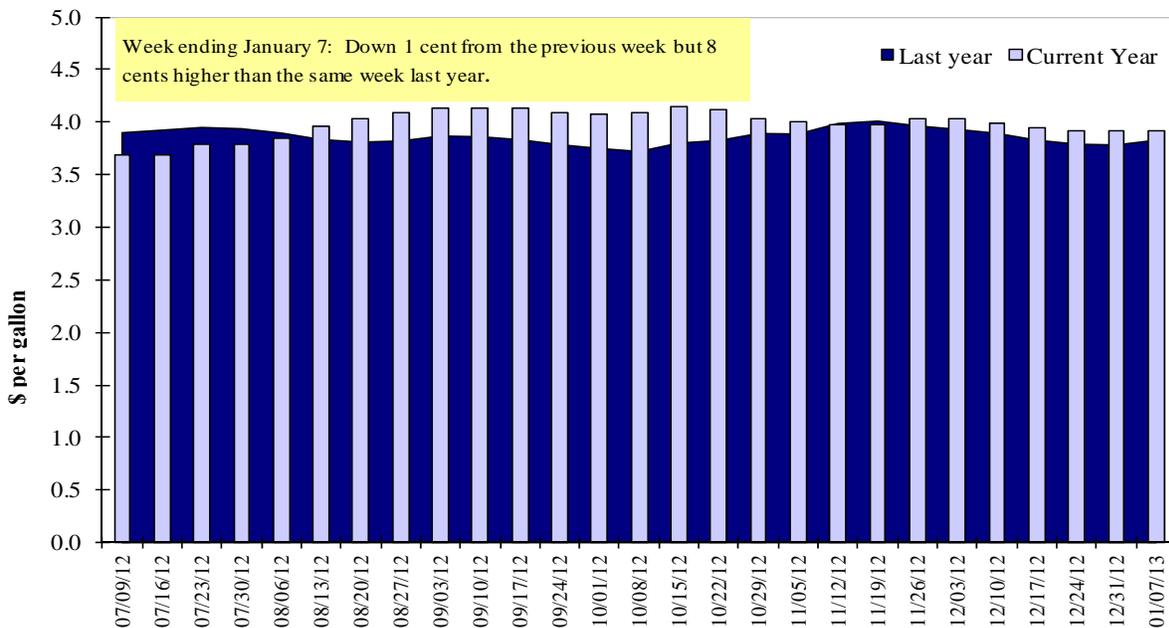
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
12/27/2012	1,802	1,278	1,285	1,260	107	5,731	6,173	9,767	21,671
This week year ago	1,298	590	1,144	1,001	55	4,088	10,900	9,032	24,020
Cumulative exports-marketing year²									
2012/13 YTD	5,399	1,777	3,354	2,498	318	13,345	6,583	21,098	41,026
2011/12 YTD	6,211	2,028	3,988	2,917	358	15,502	13,771	15,088	44,361
YTD 2012/13 as % of 2011/12	87	88	84	86	89	86	48	140	92
Last 4 wks as % of same period 2011/12	123	170	110	124	174	127	58	121	94
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year begins 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 12/27/12	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Current MY	2011/12 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	4,185	6,224	(33)	12,367
Mexico	2,916	5,624	(48)	9,617
China	1,359	3,210	(58)	5,414
Korea	422	2,405	(82)	3,639
Venezuela	283	261	9	1,332
Top 5 importers	9,165	17,722	(48)	32,369
Total US corn export sales	12,756	24,671	(48)	39,180
% of Projected	44%	63%		
Change from prior week	49	300		
Top 5 importers' share of U.S. corn export sales	72%	72%		83%
USDA forecast, December 2012	29,210	39,180	(25)	
Corn Use for Ethanol USDA forecast, Ethanol December 2012	114,300	127,000	(10)	

(n) indicates negative number.

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

² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--
<http://www.fas.usda.gov/esrquery/>

³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm (Carry-over plus Accumulated Exports)

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 12/27/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Current MY	2011/12 Last MY		
	-1,000 mt -			- 1,000 mt -
China	19,053	16,944	12	24,602
Mexico	1,302	1,525	(15)	3,180
Japan	1,087	1,103	(1)	1,891
Indonesia	721	687	5	1,741
Egypt	414	363	14	1,292
Top 5 importers	22,577	20,622	9	32,706
Total US soybean export sales	30,865	24,120	28	37,060
% of Projected	84%	65%		
Change from prior week	435	281		
Top 5 importers' share of U.S. soybean export sales	73%	85%		
USDA forecast, December 2012	36,610	37,060	(1)	

(n) indicates negative number.

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

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 12/27/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Current MY	2011/12 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,643	2,545	4	3,512
Mexico	2,311	2,662	(13)	3,496
Nigeria	2,166	2,359	(8)	3,248
Philippines	1,563	1,733	(10)	2,039
Korea	1,270	1,087	17	1,983
Egypt	857	247	248	950
Taiwan	806	620	30	888
Indonesia	368	524	(30)	830
Venezuela	533	480	11	594
Iraq	209	572	(63)	572
Top 10 importers	12,725	12,828	(1)	18,111
Total US wheat export sales	19,077	19,590	(3)	28,560
% of Projected	67%	69%		
Change from prior week	400	139		
Top 10 importers' share of U.S. wheat export sales	67%	65%		63%
USDA forecast, December 2012	28,580	28,560	0.1	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--
<http://www.fas.usda.gov/esrquery/>³FAS 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 01/03/13	Previous Week ¹	Current Week as % of Previous	2013 YTD ¹	2012 YTD ¹	2013 YTD as % of 2012 YTD	Last 4-weeks as % of		Total ¹ 2012
							2012	3-yr. avg.	
Pacific Northwest									
Wheat	165	53	310	165	82	202	90	93	12,558
Corn	86	57	152	86	1	7,531	37	44	5,512
Soybeans	196	326	60	196	195	101	92	85	10,347
Total	447	436	103	447	278	161	72	75	28,417
Mississippi Gulf									
Wheat	49	68	72	49	47	104	130	119	5,457
Corn	58	119	48	58	287	20	42	43	18,068
Soybeans	569	543	105	569	444	128	125	107	24,616
Total	675	731	92	675	778	87	90	83	48,142
Texas Gulf									
Wheat	23	78	29	23	75	31	75	55	5,912
Corn	0	0	n/a	0	0	n/a	0	0	336
Soybeans	0	0	n/a	0	0	n/a	n/a	46	626
Total	23	78	29	23	75	31	86	48	6,874
Interior									
Wheat	0	12	0	0	8	0	141	64	1,190
Corn	16	27	59	16	102	16	91	27	6,077
Soybeans	25	36	70	25	55	46	36	77	4,200
Total	41	75	55	41	164	25	55	47	11,467
Great Lakes									
Wheat	0	0	n/a	0	0	n/a	108	85	481
Corn	0	0	n/a	0	0	n/a	0	0	56
Soybeans	0	25	0	0	0	n/a	115	189	708
Total	0	25	0	0	0	n/a	105	122	1,245
Atlantic									
Wheat	0	0	n/a	0	0	0	0	0	341
Corn	0	0	n/a	0	12	0	0	0	143
Soybeans	64	48	133	64	11	591	160	158	1,461
Total	64	48	133	64	23	277	141	125	1,944
U.S. total from ports²									
Wheat	237	212	112	237	212	112	91	81	25,939
Corn	160	204	79	160	401	40	36	39	30,192
Soybeans	853	978	87	853	704	121	118	101	41,958
Total	1,251	1,393	90	1,251	1,317	95	81	76	98,089

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

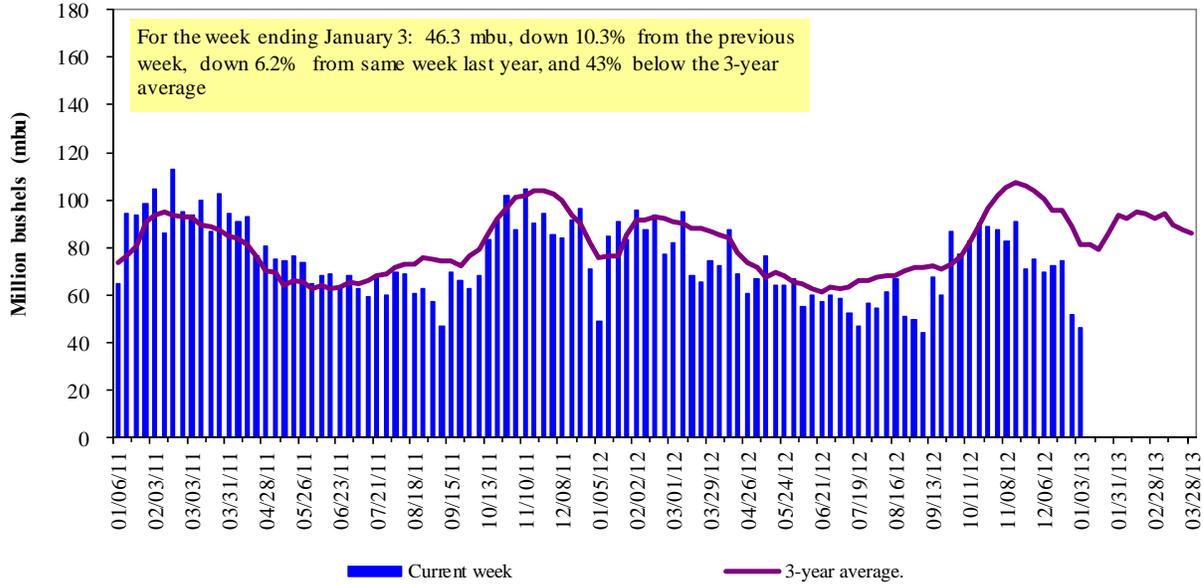
² Total includes only port regions shown above; Interior land-based shipments now included.

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2011.

Figure 14

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

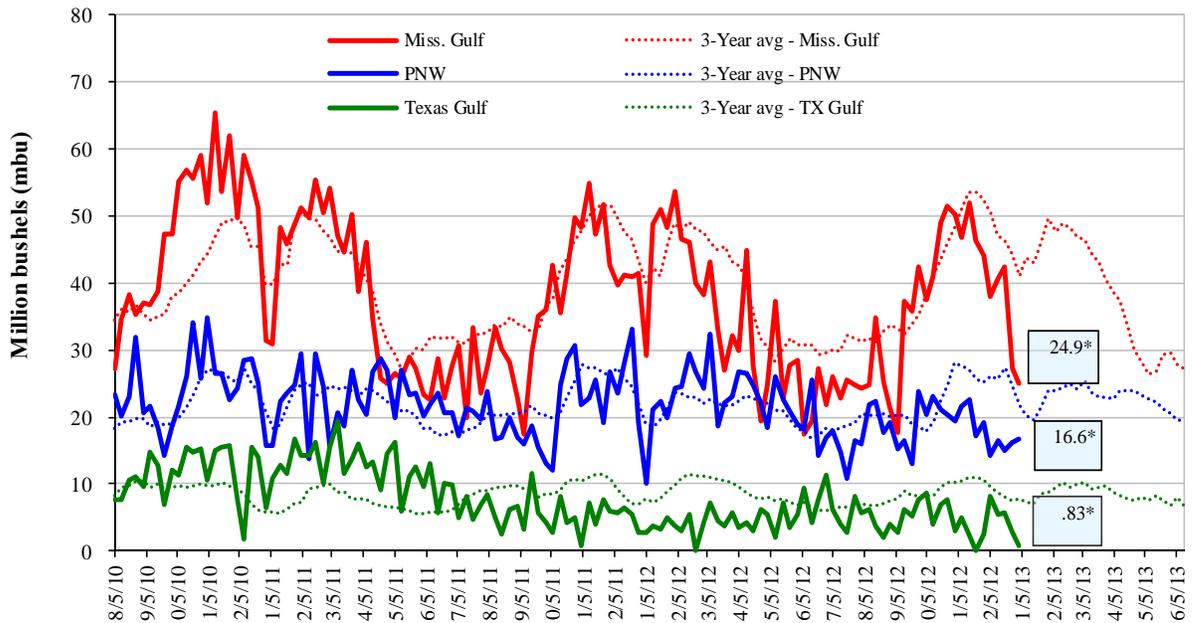


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

January 3 % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	down 8	down 71	down 15	up 3
Last year (same week)	down 15	down 70	down 20	up 63
3-yr avg. (4-wk mov. avg.)	down 39	down 89	down 47	up 5

Ocean Transportation

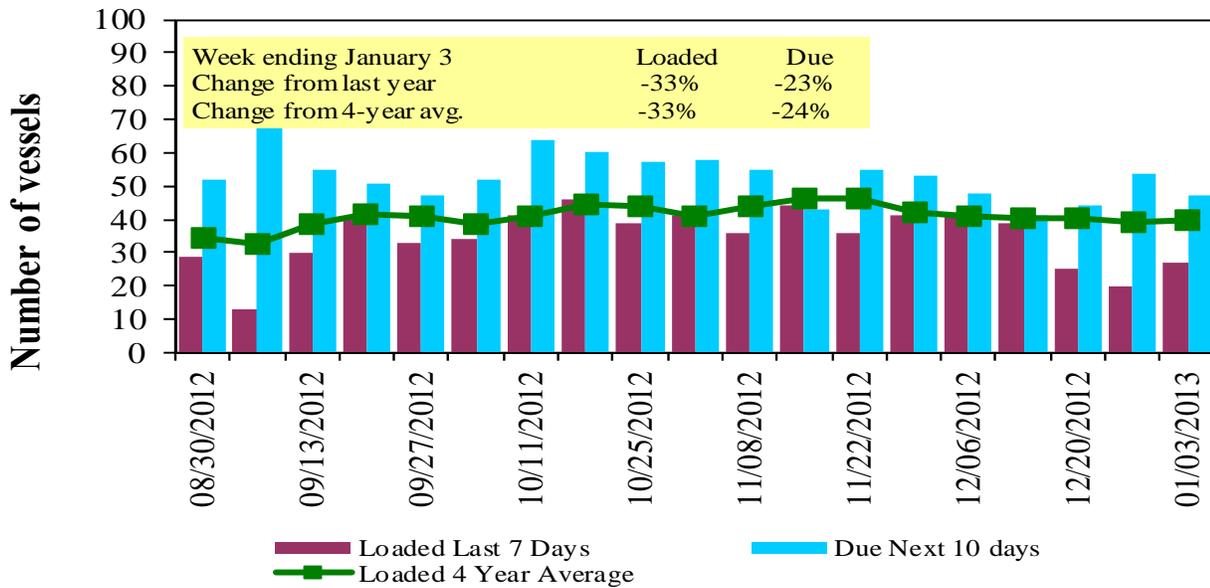
Table 17

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
1/3/2013	26	27	47	11	n/a
12/27/2012	29	20	54	20	n/a
2011 range	(14..65)	(28..54)	(34..83)	(5..25)	(1..20)
2011 avg.	31	38	53	15	12

Source: Transportation & Marketing Programs/AMS/USDA

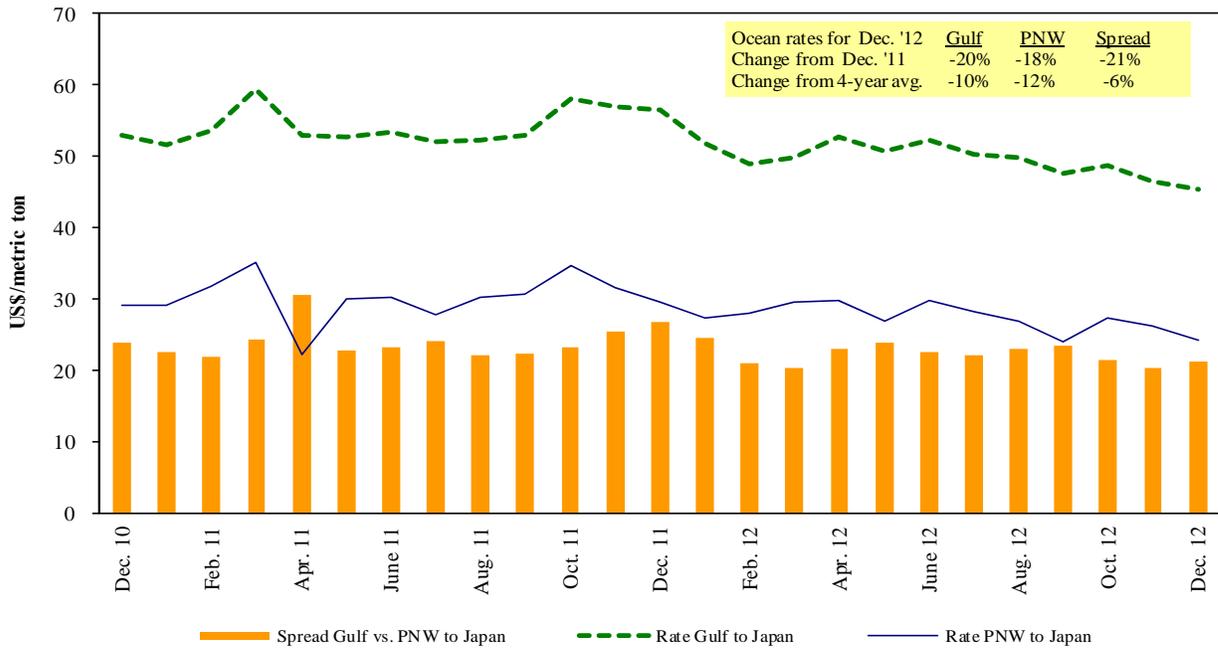
Figure 16
U.S. Gulf^d Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 01/03/2013

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 5/10	55,000	42.50
U.S. Gulf	China	Heavy Grain	Nov 20/30	55,000	43.00
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	49.00
U.S. Gulf	China	Heavy Grain	Nov 10/20	55,000	46.00
U.S. Gulf	China	Heavy Grain	Nov 9/19	55,000	48.00
U.S. Gulf	China	Heavy Grain	Nov 5/10	55,000	46.00
Black Sea	Spain Mediterranean	Heavy Grain	Nov 30/Dec 3	50,000	11.00
Brazil	Portugal	Heavy Grain	Dec 10/20	60,000	19.50
Brazil	Portugal	Heavy Grain	Nov 10/20	60,000	15.50
France	Algeria	Wheat	Nov 2/7	25,000	22.00
India	S.Korea	Wheat	Oct5/15	55,000	15.00
River Plate	Tunisia	Heavy Grain	Oct 5/15	30,000	28.50
River Plate	Algeria	Wheat	Nov 7/9	40,000	25.00
Ukraine	Rotterdam	Rapeseed	Dec 8/17	60,000	14.80
Ukraine	S. Arabia	Barley	Oct 25/30	56,500	25.25

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

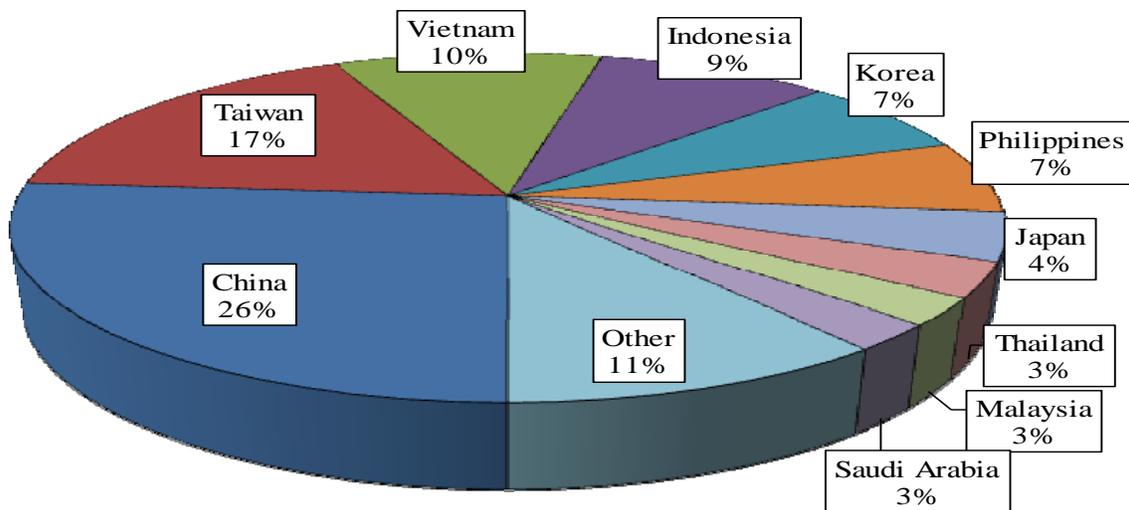
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2011, containers were used to transport 7 percent of total U.S. waterborne grain exports, up 2 percentage points from 2010. Approximately 11 percent of U.S. waterborne grain exports in 2011 went to Asia in containers, up 4 percentage points from 2010. Asia is the top destination for U.S. containerized grain exports—96 percent in 2011.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, September 2012

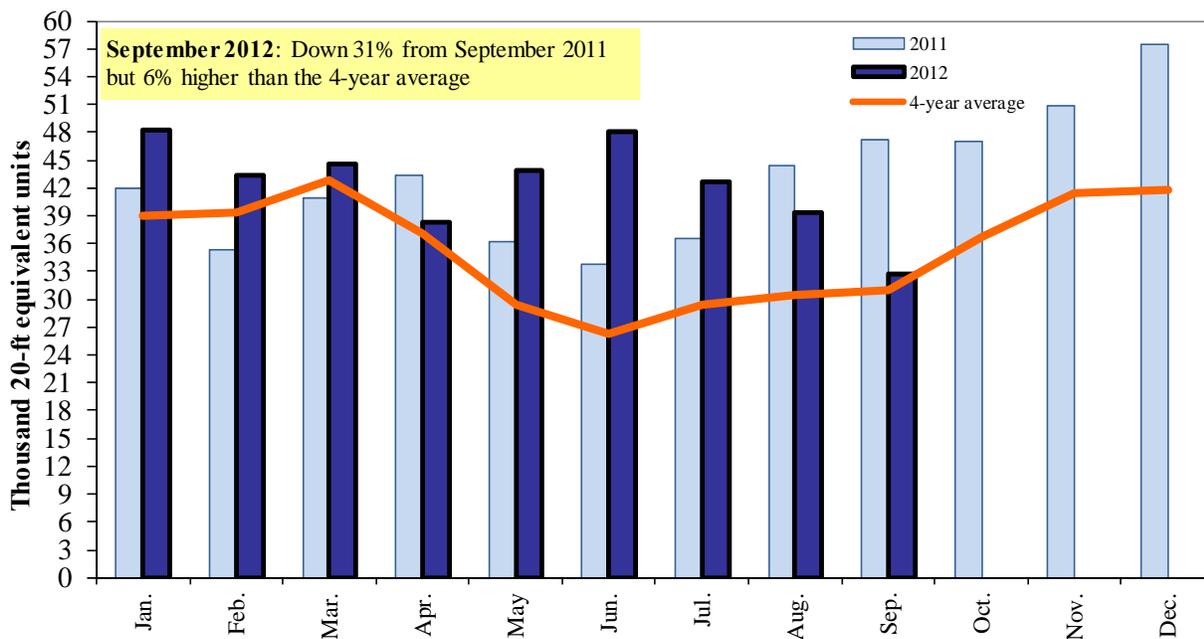


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

Figure 19

Monthly Shipments of Containerized Grain to Asia



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

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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