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

Contact Us

January 12, 2012

Contents

The next release is Jan. 19, 2012

WEEKLY HIGHLIGHTS

Low Water May Limit Barge Tonnages

The Mississippi River Gage at St Louis, MO has been at the 3- to 5-foot gage height for most of the month (gage is a relative measure of river levels, and does not indicate actual depth of the river). Usually, the St. Louis Gage is around 13 feet in early January. The lower water levels may lead to decreased barge loading capacities, but currently is not affecting barge operations or reducing capacity. At a 9-foot draft, a barge has 1,500 short tons of capacity; for each foot of reduced draft, the barge loses about 200 short tons of capacity. Therefore, under certain low water conditions, a barge loaded for an 8-foot draft, could only hold 1,300 short tons. River levels have been volatile for several weeks, but are rising slightly at St. Louis; however, a prolonged period of precipitation would be welcomed by barge operators.

Corn Inspections Pick Up Pace After Holidays

During the first week of 2012, ending January 5, total inspections of corn for export reached .862 million metric tons (mmt), up 35 percent from the previous week and 144 percent above last year at this time. Corn shipments increased primarily to Asia (Japan and China). Increased inspections of corn also helped total inspections of grain (corn, wheat, soybeans) to increase 8 percent from the past week to 2.03 mmt. Mississippi Gulf corn inspections (.574 mmt) jumped 59 percent from the past week. Total inspections of grain in the Mississippi Gulf reached 1.19 mmt and have been up for the last four weeks. Total wheat (.294 mmt) inspections dropped 19 percent from the past week, and soybeans (.871 mmt) decreased only 1 percent.

Diesel Fuel Prices Rise After 6 Weeks of Declines

During the week ending January 9, U.S. average diesel fuel prices increased 4 cents to 3.83 per gallon, 1 percent higher than the previous week and 15 percent higher than the same week last year. However, over the previous 6 weeks, prices fell 23 cents per gallon. The Energy Information Administration (EIA) reports that diesel fuel prices averaged $3.84 per gallon in 2011. EIA expects prices will average $3.85 per gallon in 2012 as U.S. crude oil production continues to rise and demand in developing countries becomes more stable. EIA also expects U.S. demand for distillate fuels (including diesel fuel) to increase 2 percent in 2012 due to continued growth in industrial output and non-petroleum imports.

Snapshots by Sector

Rail

U.S. railroads originated 17,748 **carloads of grain** during the week ending December 31, down 17 percent from last week, 2 percent from last year, and 19 percent higher than the 3-year average.

During the week ending January 5, average January non-shuttle **secondary railcar bids/offers per car** were $6 above tariff, down $0.50 from last week and $60 from last year. Average shuttle rates were $269 below tariff, down $69 from last week and $21 from last year.

Barge

During the week ending January 7, **barge grain movements** totaled 508,755 tons, 12.7 percent higher than the previous week but 10.4 percent lower than the same period last year.

During the week ending January 7, 314 grain barges **moved down river**, up 6 percent from last week; 681 grain barges were **unloaded in New Orleans**, up 23.4 percent from the previous week.

Ocean

During the week ending January 5, 40 **ocean-going grain vessels** were loaded in the Gulf, up 5 percent from the same week last year. Sixty-one vessels are expected to be loaded within the next 10 days, 19 percent less than the same period last year.

During the week ending January 6, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $56 per metric ton (mt), unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was $29 per mt, 2 percent less than the previous week.

Containerized Grain Exports

Containerized grain exports to Asia in October totaled nearly 47,000 20-foot equivalent units—18 percent higher than the previous year, 41 percent higher than the 3-year average, but 0.5 percent lower than September movements.

Feature Article/Calendar

Third Quarter Truck Rates Drive Transportation Costs Up for Corn and Soybeans

U.S. Gulf Costs: Historically high truck rates and increased barge rates pushed third quarter 2011 transportation costs for shipping corn and soybeans from Minneapolis, MN, through the U.S. Gulf to Japan up 2 percent quarter-to-quarter (table 1). Truck rates increased more than 11 percent quarter-to-quarter and 30 percent year-to-year because of a higher demand for trucking during this period. Diesel prices, down 3 percent quarter-to-quarter, were not a factor in higher truck rates, but year-to-year diesel prices were, increasing 32 percent. Barge rates increased about 2.5 percent quarter-to-quarter and over 13 percent year-to-year. Year-to-year transportation costs, however, were down 2 percent because of a significant drop in ocean rates.

The third quarter total landed cost for shipping corn from the U.S. Gulf to Japan increased 8 percent from the second quarter; the cost remained stable for soybeans (table 1). The quarter-to-quarter increase in corn landed cost was due to higher trucking rates and farm value. From year to year, the landed cost for shipping corn through the Gulf to Japan increased 43 percent because of increased trucking and barge rates, plus increased farm value. Higher farm values and higher truck and barge rates pushed soybean total landed costs up 24 percent year-to-year. Although corn farm value increased 10 percent quarter-to-quarter, soybean farm value decreased 1 percent. Transportation costs for shipping corn from the Gulf to Japan accounted for 29 percent of the total landed cost during the third quarter, less than the past quarter and last year. The transportation costs share of the total landed cost for soybeans was 18 percent, more than the previous quarter but less than last year (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 10	2ndQtr 11	3rdQtr 11	Yr. to Yr.	Qtr to Qtr	3rdQtr 10	2ndQtr 11	3rdQtr 11	Yr. to Yr.	Qtr to Qtr
Truck	9.74	11.34	12.62	29.57	11.29	9.74	11.34	12.62	29.57	11.29
Barge	32.82	36.30	37.20	13.35	2.48	32.82	36.30	37.20	13.35	2.48
Ocean	61.45	52.97	52.36	-14.79	-1.15	61.45	52.97	52.36	-14.79	-1.15
Total Transportation Cost	104.01	100.61	102.18	-1.76	1.56	104.01	100.61	102.18	-1.76	1.56
Farm Value [1]	138.84	222.82	246.05	77.22	10.43	352.25	465.42	461.75	31.09	-0.79
Total Landed Cost	242.85	323.43	348.23	43.39	7.67	456.26	566.03	563.93	23.60	-0.37
Transportation % Landed Cost	42.83	31.11	29.34			22.80	17.77	18.12		

Source: USDA/AMS/TMP

[1] Source: USDA/NASS, Agricultural Prices

[2] Rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains

Pacific Northwest Costs: Total quarter-to-quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, to Japan via the Pacific Northwest (PNW) increased 1 percent as trucking rates increased 11 percent (see table 2). Year-to-year transport costs were up 5 percent for corn and 4 percent for soybeans because of higher truck and rail rates. Quarter-to-quarter PNW rail rates increased about 1 percent for corn and soybeans. Year-to-year rail rates for shipping corn and soybeans to the PNW increased 13 and 11 percent, respectively, because of higher fuel surcharges (see GTR table 7).

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 10	2ndQtr 11	3rdQtr 11	Yr. to Yr.	Qtr to Qtr	3rdQtr 10	2ndQtr 11	3rdQtr 11	Yr. to Yr.	Qtr to Qtr
Truck	9.74	11.34	12.62	29.57	11.29	9.74	11.34	12.62	29.57	11.29
Rail [2]	46.96	52.85	53.28	13.46	0.81	49.44	54.34	54.77	10.78	0.79
Ocean	33.77	30.24	29.53	-12.56	-2.35	33.77	30.24	29.53	-12.56	-2.35
Total Transportation Cost	90.47	94.43	95.43	5.48	1.06	92.95	95.92	96.92	4.27	1.04
Farm Value [1]	138.84	222.82	246.05	77.22	10.43	352.25	465.42	461.75	31.09	-0.79
Total Landed Cost	229.31	317.25	341.48	48.92	7.64	445.2	561.34	558.67	25.49	-0.48
Transportation % Landed Cost	39.45	29.77	27.95			20.88	17.09	17.35		

Source: USDA/AMS/TMP

[1] Source: USDA/NASS, Agricultural Prices

[2] Rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains

PNW total landed cost from quarter-to-quarter was mixed, increasing about 8 percent for corn because of higher truck rates and farm value prices but dropping slightly for soybeans (see table 2). Year-to-year PNW landed cost, however, were up 49 percent for corn and 25 percent for soybeans due to higher truck and rail rates plus increased farm values. Transportation costs for corn shipped through the PNW to Japan accounted for about 28 percent of the total landed costs during the third quarter, below the previous quarter and last year. Third quarter transportation costs for soybeans shipped through the PNW to Japan accounted for 17 percent of the total landed cost, slightly above the previous quarter but below last year's share. As it did in the second quarter, soybean farm value continued to account for 82 to 83 percent of the total landed cost when shipping soybeans to Japan. Corn farm value's share (71 to 72 percent) of the landed cost increased slightly from the second quarter 2011.

Outlook: The January World Agricultural Supply and Demand Estimates (WASDE) report indicates an increase for corn exports in 2011/12 compared to the December estimate. Corn exports are expected higher because of unfavorable growing conditions in South America. WASDE also indicates a decrease in soybean exports from the December projection. *Johnny.Hill@ams.usda.gov*

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
01/11/12	257	101	202	250	206
01/04/12	254	102	191	250	209

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.
Source: Transportation & Marketing Programs/AMS/USDA

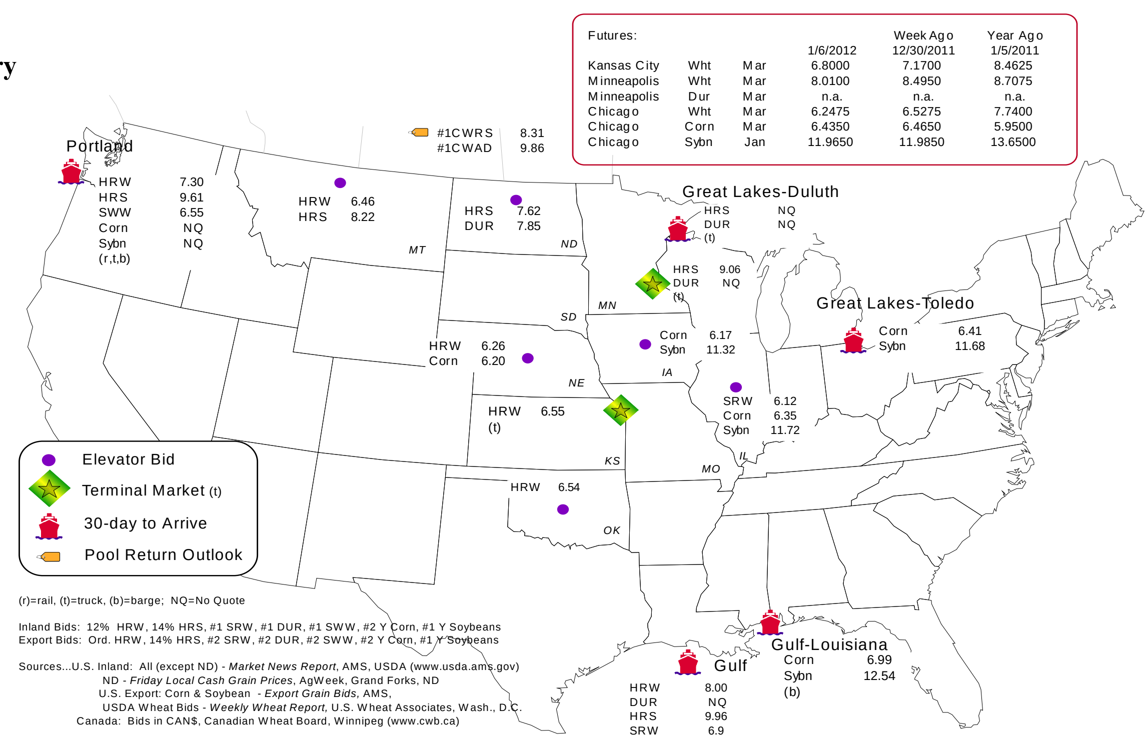
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	1/6/2012	12/30/2011
Corn	IL--Gulf	-0.64	-0.63
Corn	NE--Gulf	-0.79	-0.70
Soybean	IA--Gulf	-1.22	-1.22
HRW	KS--Gulf	-1.45	nq
HRS	ND--Portland	-1.99	nq

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 Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
1/04/2012[p]	25	672	793	3,177	348	5,015
12/28/2011[r]	4	237	973	2,747	452	4,413
2012 YTD	25	672	793	3,177	348	5,015
2011 YTD	490	1,429	829	2,772	999	6,519
2012 YTD as % of 2011 YTD	5	47	96	115	35	77
Last 4 weeks as % of 2011[2]	5	32	165	98	68	71
Last 4 weeks as % of 4-year avg.[2]	5	39	163	99	61	76
Total 2011	27,358	77,515	48,782	178,990	24,088	356,733
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933

[1] Data is incomplete as it is voluntarily provided

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

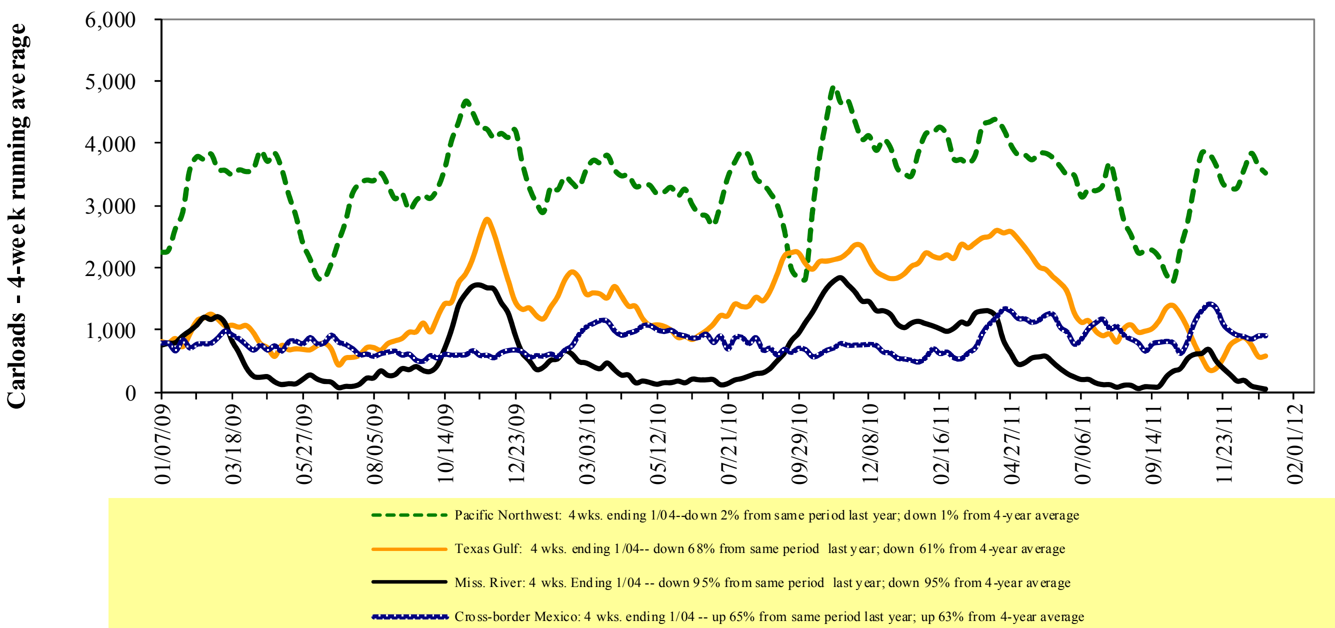
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 35 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)

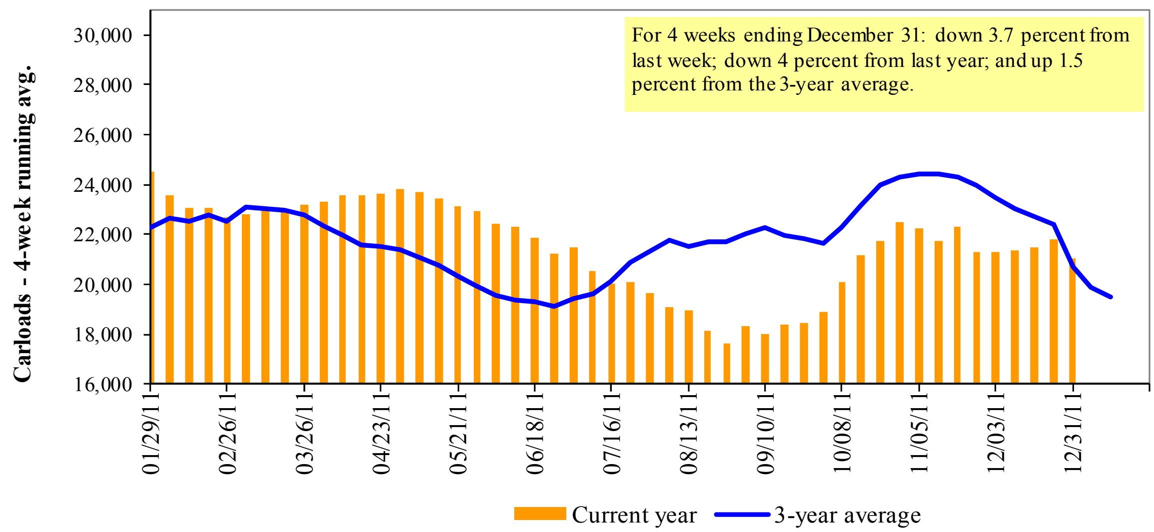
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
12/31/11	1,881	2,417	8,841	403	4,206	17,748	3,232	3,212
This week last year	1,951	2,610	8,160	402	4,991	18,114	2,756	3,218
2011 YTD	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399
2010 YTD	111,923	159,642	546,901	35,807	295,361	1,149,634	203,030	266,032
2011 YTD as % of 2010 YTD	88	95	100	97	99	98	99	101
Last 4 weeks as % of 2010[1]	101	91	101	82	88	96	108	120
Last 4 weeks as % of 3-yr avg.[1]	108	95	112	72	99	105	109	114
Total 2010	111,935	159,836	546,901	35,807	295,361	1,149,840	203,038	265,835

[1]As 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 Offerings[1] ($/car)[2]

Week ending	Delivery period							
1/5/2012	**Jan-12**	**Jan-11**	**Feb-12**	**Feb-11**	**Mar-12**	**Mar-11**	**Apr-12**	**Apr-11**
BNSF[3]								
COT grain units	no bids	no offer	no bids	no offer	no bids	0	no bids	no bids
COT grain single-car[5]	0 . . 20	no offer	no bids	10	no bids	0	6	no bids
UP[4]								
GCAS/Region 1	no bids	1	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	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.

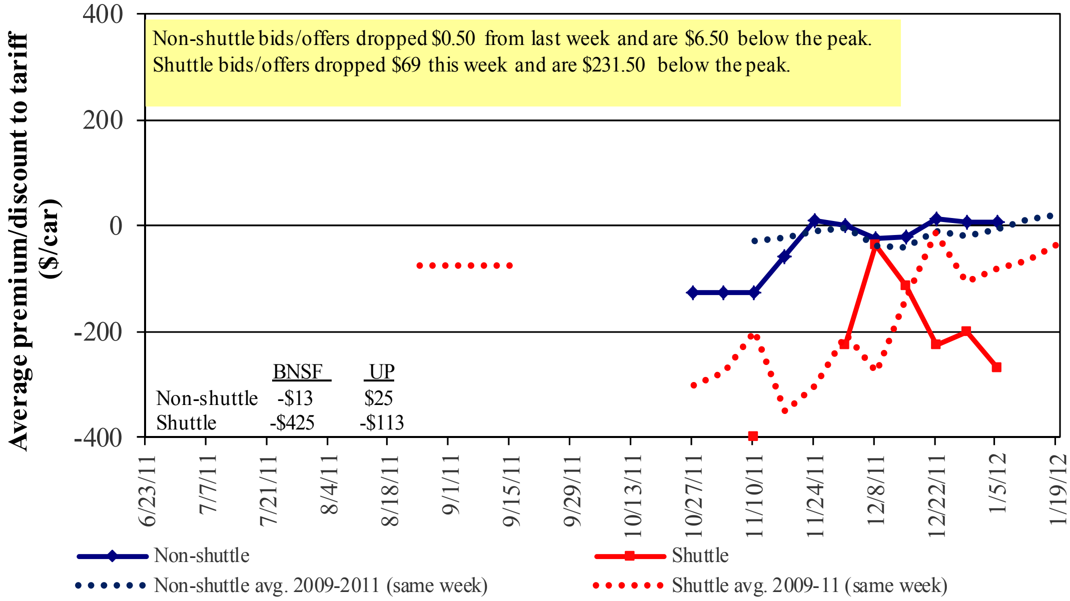
[5]Range is shown because average is not available. Not available = n/a.

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 January 2012, Secondary Market

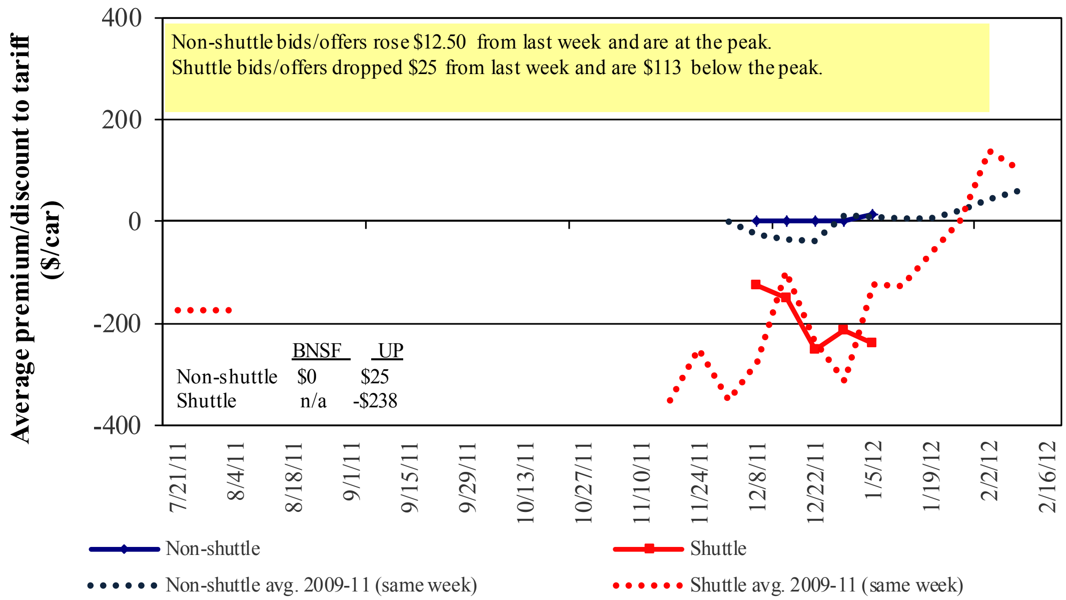


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in February 2012, Secondary Market

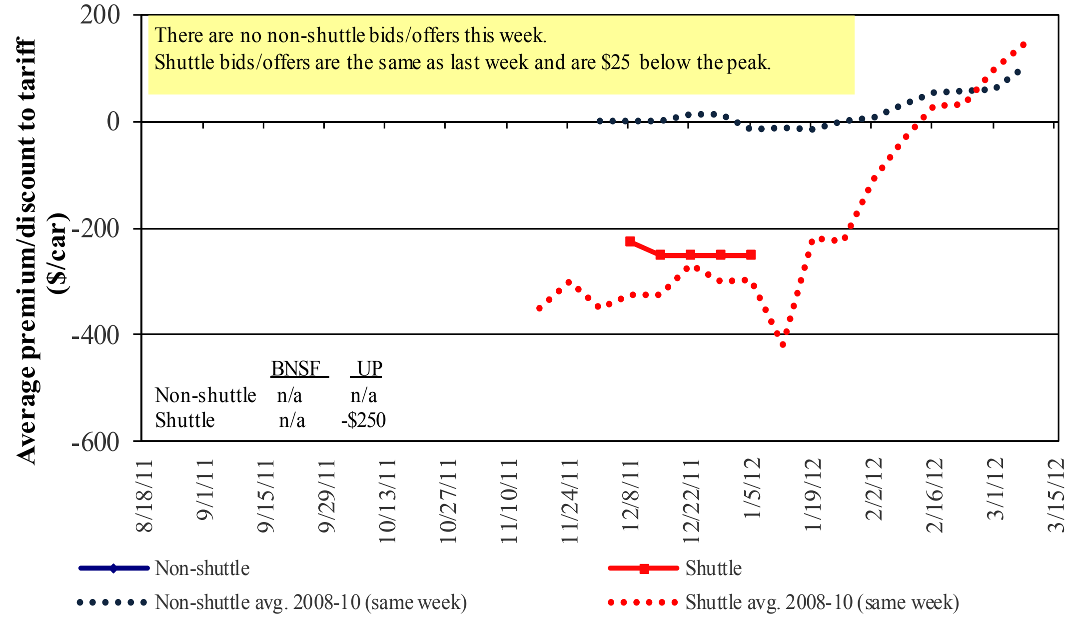


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in March 2012, 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					
1/5/2012	**Jan-12**	**Feb-12**	**Mar-12**	**Apr-12**	**May-12**	**Jun-12**
Non-shuttle						
BNSF-GF	(13)	-	n/a	n/a	n/a	n/a
Change from last week	(13)	-	n/a	n/a	n/a	n/a
Change from same week 2010	(70)	(46)	n/a	n/a	n/a	n/a
UP-Pool	25	25	n/a	n/a	n/a	n/a
Change from last week	12	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(50)	(13)	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(425)	n/a	n/a	n/a	n/a	n/a
Change from last week	(75)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(529)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(113)	(238)	(250)	n/a	n/a	n/a
Change from last week	(63)	(25)	-	n/a	n/a	n/a
Change from same week 2010	487	112	188	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 Shipments[1]

Effective date: 1/2/2012	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$2,992	$192	$31.62	$0.86	11
	Grand Forks, ND	Duluth-Superior, MN	$3,097	$110	$31.85	$0.87	19
	Wichita, KS	Los Angeles, CA	$5,710	$566	$62.32	$1.70	9
	Wichita, KS	New Orleans, LA	$3,492	$338	$38.04	$1.04	11
	Sioux Falls, SD	Galveston-Houston, TX	$5,410	$465	$58.34	$1.59	5
	Northwest KS	Galveston-Houston, TX	$3,760	$371	$41.02	$1.12	10
	Amarillo, TX	Los Angeles, CA	$3,959	$516	$44.44	$1.21	11
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,062	$382	$34.20	$0.93	14
	Toledo, OH	Raleigh, NC	$3,942	$433	$43.45	$1.18	9
	Des Moines, IA	Davenport, IA	$1,934	$81	$20.01	$0.54	7
	Indianapolis, IN	Atlanta, GA	$3,381	$325	$36.80	$1.00	9
	Indianapolis, IN	Knoxville, TN	$2,833	$209	$30.20	$0.82	6
	Des Moines, IA	Little Rock, AR	$3,074	$238	$32.89	$0.90	8
	Des Moines, IA	Los Angeles, CA	$4,985	$693	$56.38	$1.53	19
Soybeans	Minneapolis, MN	New Orleans, LA	$3,489	$417	$38.79	$1.06	9
	Toledo, OH	Huntsville, AL	$3,057	$308	$33.41	$0.91	9
	Indianapolis, IN	Raleigh, NC	$4,013	$436	$44.18	$1.20	9
	Indianapolis, IN	Huntsville, AL	$2,749	$209	$29.37	$0.80	8
	Champaign-Urbana, IL	New Orleans, LA	$3,406	$382	$37.62	$1.02	13
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,239	$326	$35.40	$0.96	8
	Wichita, KS	Galveston-Houston, TX	$3,144	$253	$33.74	$0.92	6
	Chicago, IL	Albany, NY	$3,645	$406	$40.23	$1.09	9
	Grand Forks, ND	Portland, OR	$4,702	$562	$52.28	$1.42	8
	Grand Forks, ND	Galveston-Houston, TX	$5,745	$586	$62.87	$1.71	9
	Northwest KS	Portland, OR	$4,727	$608	$52.98	$1.44	10
Corn	Minneapolis, MN	Portland, OR	$4,800	$685	$54.47	$1.48	10
	Sioux Falls, SD	Tacoma, WA	$4,760	$627	$53.50	$1.46	9
	Champaign-Urbana, IL	New Orleans, LA	$2,877	$382	$32.37	$0.88	13
	Lincoln, NE	Galveston-Houston, TX	$3,310	$366	$36.50	$0.99	10
	Des Moines, IA	Amarillo, TX	$3,430	$299	$37.03	$1.01	7
	Minneapolis, MN	Tacoma, WA	$4,800	$679	$54.41	$1.48	10
	Council Bluffs, IA	Stockton, CA	$4,200	$703	$48.69	$1.33	12
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,040	$627	$56.28	$1.53	10
	Minneapolis, MN	Portland, OR	$5,030	$685	$56.75	$1.54	11
	Fargo, ND	Tacoma, WA	$4,930	$558	$54.49	$1.48	10
	Council Bluffs, IA	New Orleans, LA	$3,710	$441	$41.22	$1.12	11
	Toledo, OH	Huntsville, AL	$2,672	$308	$29.59	$0.81	10
	Grand Island, NE	Portland, OR	$4,520	$622	$51.06	$1.39	6

[1]A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 90-110 cars that meet railroad efficiency requirements.

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

[3]Percentage change year over year calculated using tariff rate plus fuel surchage

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: 1/2/2012				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,741	$595	$85.17	$2.32	9
	OK	Cuautitlan, EM	$6,804	$623	$75.88	$2.06	9
	KS	Guadalajara, JA	$7,411	$896	$84.88	$2.31	8
	TX	Salinas Victoria, NL	$3,753	$253	$40.93	$1.11	10
Corn	IA	Guadalajara, JA	$7,699	$918	$88.04	$2.23	8
	SD	Penjamo, GJ	$7,776	$778	$87.41	$2.22	12
	NE	Queretaro, QA	$7,048	$799	$80.18	$2.03	14
	SD	Salinas Victoria, NL	$5,650	$592	$63.77	$1.62	12
	MO	Tlalnepantla, EM	$6,227	$778	$71.58	$1.82	16
	SD	Torreon, CU	$6,522	$652	$73.30	$1.86	10
Soybeans	MO	Bojay (Tula), HG	$6,986	$803	$79.58	$2.16	9
	NE	Guadalajara, JA	$7,904	$918	$90.14	$2.45	10
	IA	El Castillo, JA[5]	$8,255	$774	$92.25	$2.51	8
	KS	Torreon, CU	$6,396	$628	$71.77	$1.95	10
Sorghum	OK	Cuautitlan, EM	$5,885	$591	$66.17	$1.68	18
	TX	Guadalajara, JA	$6,653	$507	$73.15	$1.86	11
	NE	Penjamo, GJ	$7,446	$859	$84.86	$2.15	15
	KS	Queretaro, QA	$6,353	$552	$70.55	$1.79	13
	NE	Salinas Victoria, NL	$5,103	$525	$57.50	$1.46	13
	NE	Torreon, CU	$6,068	$668	$68.82	$1.75	9

[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

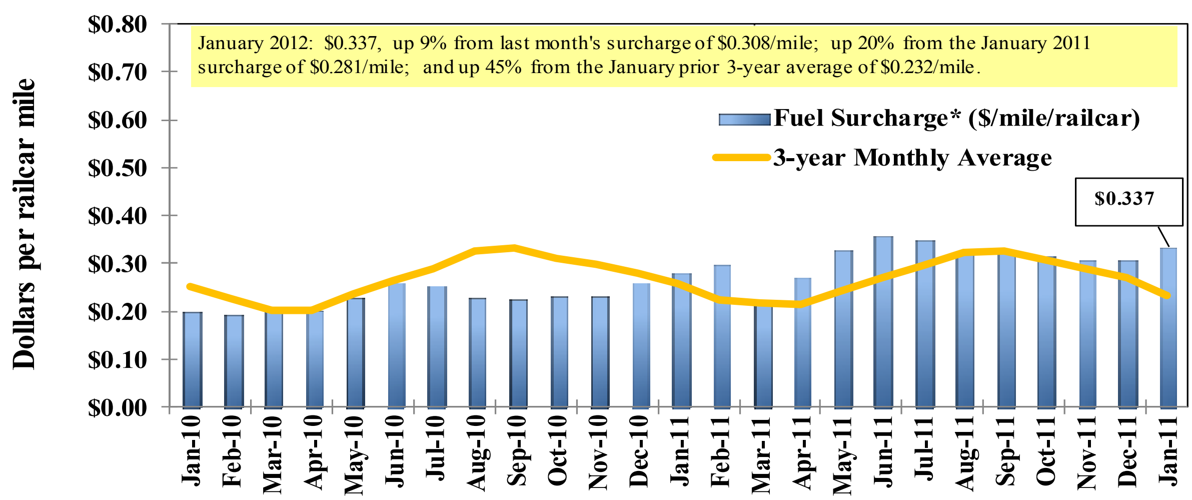
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[5] Beginning 12/6/10, El Castillo, JA replaced Penjamo, GJ as the destination

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.

* 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.

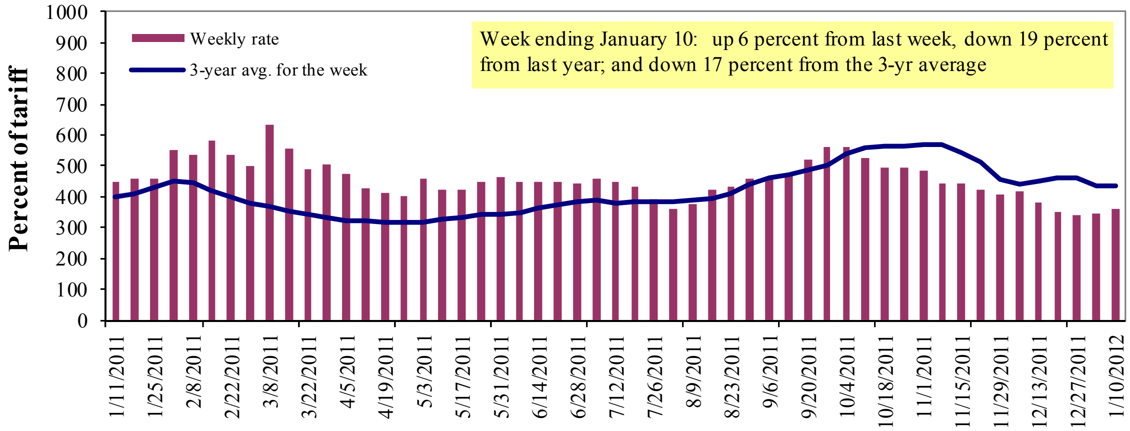
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]



[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]	1/10/2012	--	--	363	267	343	343	233
	1/3/2012	--	--	343	248	337	337	228
$/ton	1/10/2012	--	--	16.84	10.65	16.09	13.86	7.32
	1/3/2012	--	--	15.92	9.90	15.81	13.61	7.16
Current week % change from the same week:								
	Last year	--	--	-19	-30	-21	-21	-35
	3-year avg. [2]	--	--	-17	-18	-5	-5	-19
Rate[1]	February	--	--	370	277	350	350	237
	April	433	382	358	265	337	337	235

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds

Source: Transportation & Marketing Programs/AMS/USDA

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 9

Benchmark tariff rates

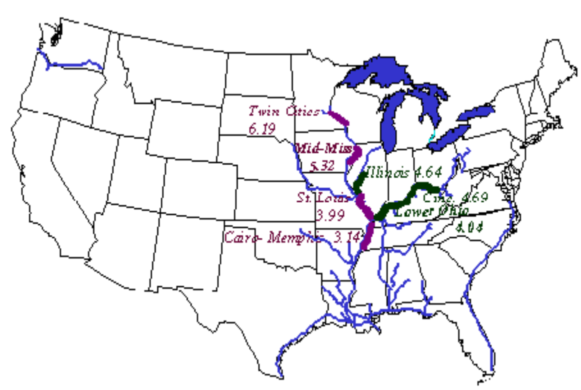
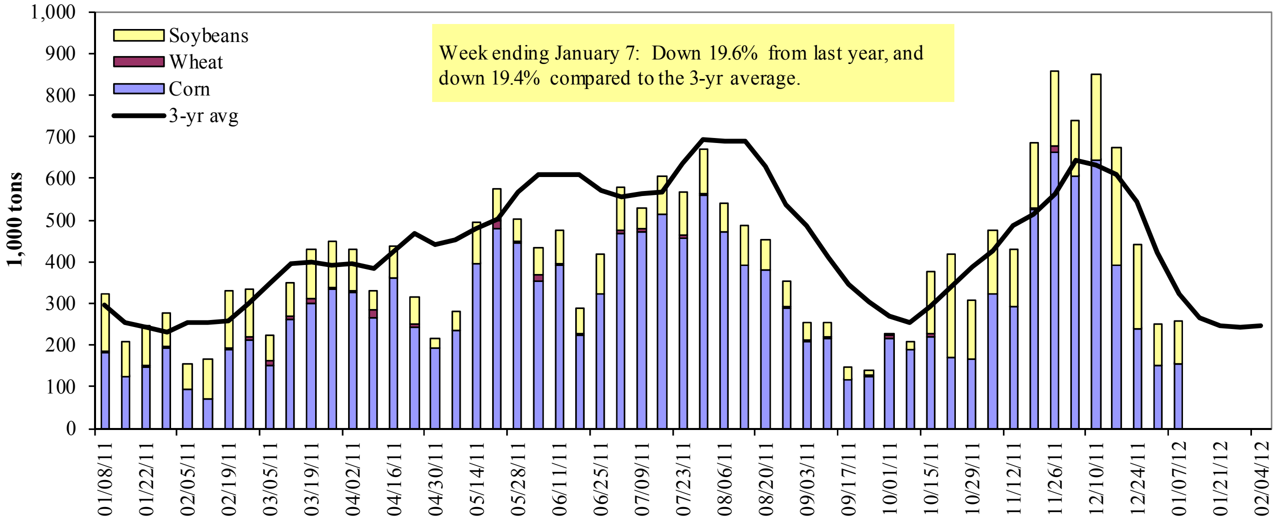


Figure 10

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 (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 1/7/2012	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)	160	2	89	0	250
Granite City, IL (L27)	154	2	103	0	259
Illinois River (L8)	142	0	47	0	189
Ohio River (L52)	101	5	120	0	226
Arkansas River (L1)	0	14	10	0	24
Weekly total - 2012	255	21	233	0	509
Weekly total - 2011	276	19	268	5	568
2012 YTD[1]	255	21	233	0	509
2011 YTD	276	19	268	5	568
2012 as % of 2011 YTD	92	112	87	0	90
Last 4 weeks as % of 2011[2]	96	108	95	13	95
Total 2011	19,921	1,460	8,553	422	30,356

[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.

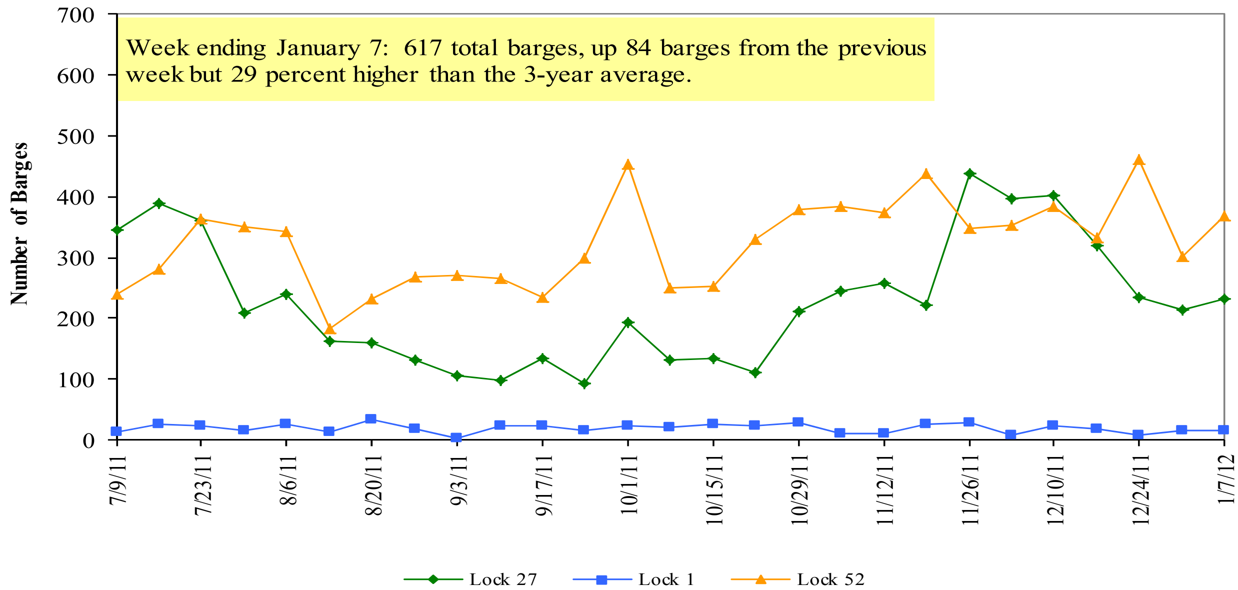
[2] As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Figure 11

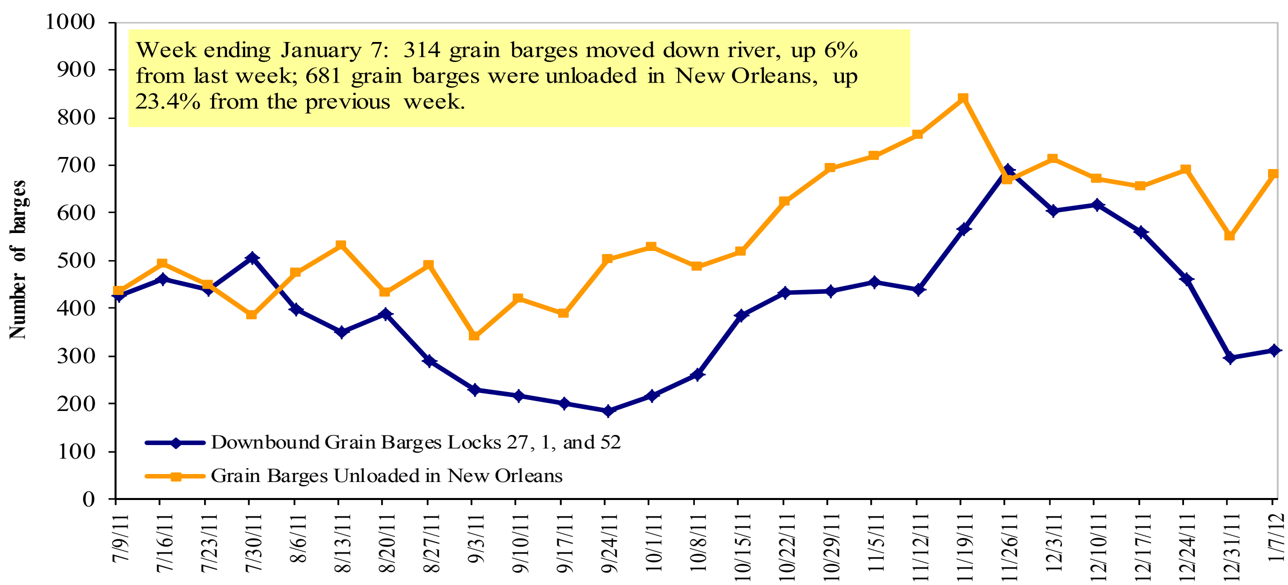
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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[1], Week Ending 1/9/2012 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.908	0.064	0.544
	New England	4.029	0.056	0.579
	Central Atlantic	3.996	0.064	0.518
	Lower Atlantic	3.820	0.066	0.512
II	Midwest[2]	3.717	0.034	0.415
III	Gulf Coast[3]	3.750	0.041	0.466
IV	Rocky Mountain	3.843	0.007	0.509
V	West Coast	4.026	0.047	0.581
	California	4.111	0.065	0.595
Total	U.S.	3.828	0.045	0.495

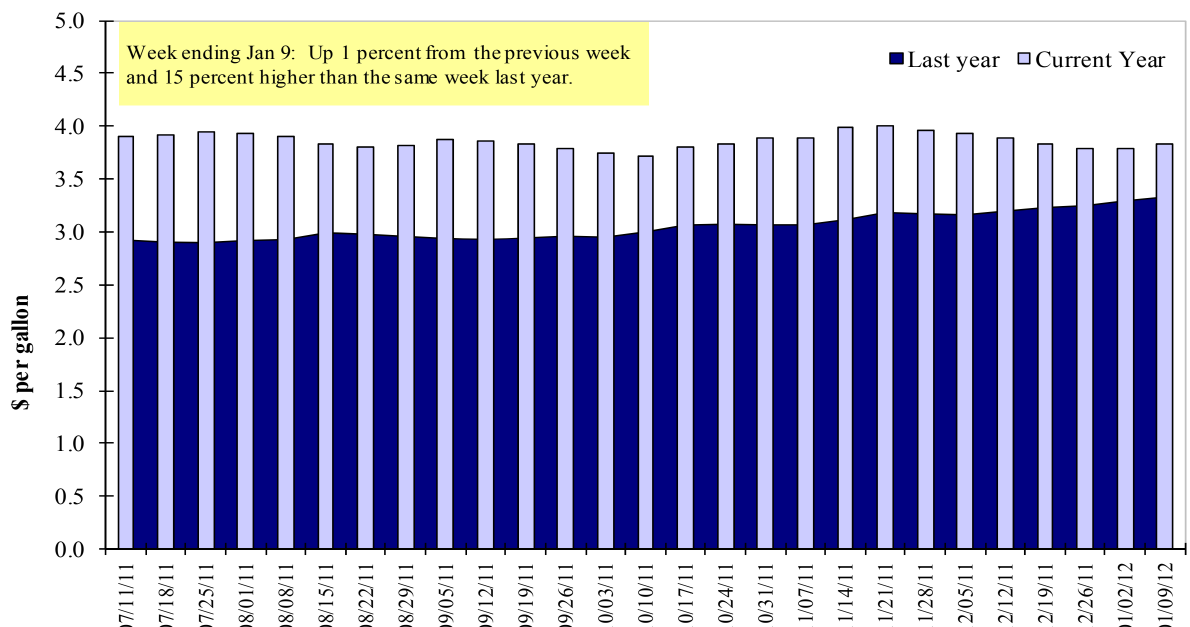
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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)

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
12/29/2011	1,298	590	1,144	1,001	55	4,088	10,900	9,032	24,020
This week year ago	3,971	814	2,611	1,277	114	8,786	11,814	14,129	34,729
Cumulative exports-marketing year[2]									
2011/12 YTD	6,211	2,028	3,997	2,917	358	15,510	13,771	15,088	44,369
2010/11 YTD	8,025	1,171	4,696	2,701	672	17,265	14,510	21,272	53,047
YTD 2011/12 as % of 2010/11	77	173	85	108	53	90	95	71	84
Last 4 wks as % of same period 2010/11	33	83	44	85	52	49	98	70	74
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385

[1] Current unshipped export sales to date

[2] Shipped export sales to date; the new marketing year is now 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 Importers[1] of U.S. Corn

Week ending 12/29/11	**Total Commitments**[2]		**% change**	**Exports**[3]
	2011/12	**2010/11**	**current MY**	
	Current MY	**Last MY**	**from last MY**	**2010/11**
	- 1,000 mt -			- 1,000 mt -
Japan	6,224	7,610	(18)	14,279
Mexico	5,624	4,074	38	7,019
Korea	2,405	3,372	(29)	6,104
Egypt	348	1,789	(81)	3,302
Taiwan	984	1,227	(20)	2,393
Top 5 importers	**15,584**	**18,072**	**(14)**	**33,096**
Total US corn export sales	**24,671**	**26,324**	**(6)**	**46,610**
% of Projected	59%	56%		
Change from Last Week	300	369		
Top 5 importers' share of U.S. corn export sales	63%	69%		
USDA forecast, January 2012	**41,910**	**46,600**	**(10)**	
Corn Use for Ethanol USDA forecast, Ethanol January 2012	**127,000**	**127,534**	**(0.4)**	

(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.

[3]FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week Ending 12/29/2011	**Total Commitments[2] 2011/12 Current MY**	**2010/11 Last MY**	**% change current MY from last MY**	**Exports[3] 2010/11**
	- 1,000 mt -			- 1,000 mt -
China	16,944	22,263	(24)	24,445
Mexico	1,525	1,716	(11)	3,215
Japan	61	1,225	(95)	1,887
EU-25	350	1,488	(76)	2,607
Indonesia	687	836	(18)	1,397
Top 5 importers	**19,567**	**27,528**	**(29)**	**33,551**
Total US soybean export sales	**24,120**	**35,401**	**(32)**	**40,690**
% of Projected	70%	87%		
Change from last week	281	489		
Top 5 importers' share of U.S. soybean export sales	81%	78%		
USDA forecast, January 2012	**34,700**	**40,860**	**(15)**	
Soybean Use for Biodiesel USDA forecast, January 2012	**8,632**	**6,115**	**41**	

(n) indicates negative number.

[1] Based on FAS 2008/09 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.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week Ending 12/29/2011	**Total Commitments[2] 2011/12 Current MY**	**2010/11 Last MY**	**% change current MY from last MY**	**Exports[3] 2010/11**
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,359	2,387	(1)	3,233
Japan	2,545	2,586	(2)	3,148
Mexico	2,662	2,243	19	2,601
Philippines	1,733	1,720	1	1,518
Korea	1,087	1,272	(15)	1,111
Peru	563	741	(24)	923
Taiwan	620	659	(6)	913
Colombia	419	593	(29)	783
Indonesia	542	382	42	781
Yemen	272	513	(47)	659
Top 10 importers	**12,801**	**13,096**	**(2)**	**15,670**
Total US wheat export sales	**19,598**	**26,051**	**(25)**	**33,439**
% of Projected	76%	74%		
Change from last week	139	465		
Top 10 importers' share of U.S. wheat export sales	65%	50%		
USDA forecast, January 2012	**25,860**	**35,080**	**(26)**	

(n) indicates negative number.

[1] Modified from the FAS **2010/11** 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.

[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 01/05/12	Previous Week[1]	Current Week as % of Previous	2012 YTD[1]	2011 YTD[1]	2012 YTD as % of 2011 YTD	Last 4-weeks as % of 2011	Last 4-weeks as % of 3-yr. avg.	Total[1] 2011
Pacific Northwest									
Wheat	107	210	51	107	195	55	100	113	13,995
Corn	119	168	71	119	110	109	179	156	9,198
Soybeans	195	133	146	195	117	167	84	110	7,321
Total	**421**	**512**	**82**	**421**	**421**	**100**	**112**	**125**	**30,513**
Mississippi Gulf									
Wheat	47	80	59	47	15	314	68	91	5,031
Corn	574	362	159	574	164	349	108	123	26,267
Soybeans	571	659	87	571	650	88	97	94	19,262
Total	**1,192**	**1,100**	**108**	**1,192**	**829**	**144**	**100**	**105**	**50,560**
Texas Gulf									
Wheat	132	74	178	132	242	55	52	85	10,837
Corn	0	2	0	0	0	n/a	63	117	1,021
Soybeans	0	0	n/a	0	56	0	0	0	926
Total	**132**	**77**	**172**	**132**	**297**	**44**	**42**	**63**	**12,784**
Interior									
Wheat	8	0	1,971	8	16	48	121	118	1,110
Corn	158	93	170	158	72	219	71	163	7,509
Soybeans	62	53	115	62	29	216	127	127	4,273
Total	**227**	**147**	**155**	**227**	**116**	**195**	**116**	**147**	**12,892**
Great Lakes									
Wheat	0	0	n/a	0	0	n/a	50	80	1,038
Corn	0	0	n/a	0	0	n/a	56	43	178
Soybeans	0	21	0	0	0	n/a	119	306	382
Total	**0**	**21**	**0**	**0**	**0**	**n/a**	**85**	**146**	**1,598**
Atlantic									
Wheat	0	0	n/a	0	60	1	1	1	686
Corn	12	14	83	12	7	159	198	162	295
Soybeans	44	11	397	44	7	606	209	138	1,042
Total	**56**	**25**	**222**	**56**	**75**	**75**	**121**	**111**	**2,022**
U.S. total from ports[2]									
Wheat	294	364	81	294	527	56	71	97	32,697
Corn	862	639	135	862	354	244	127	135	44,466
Soybeans	871	878	99	871	858	102	92	97	33,205
Total	**2,027**	**1,882**	**108**	**2,027**	**1,739**	**117**	**98**	**110**	**110,369**

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

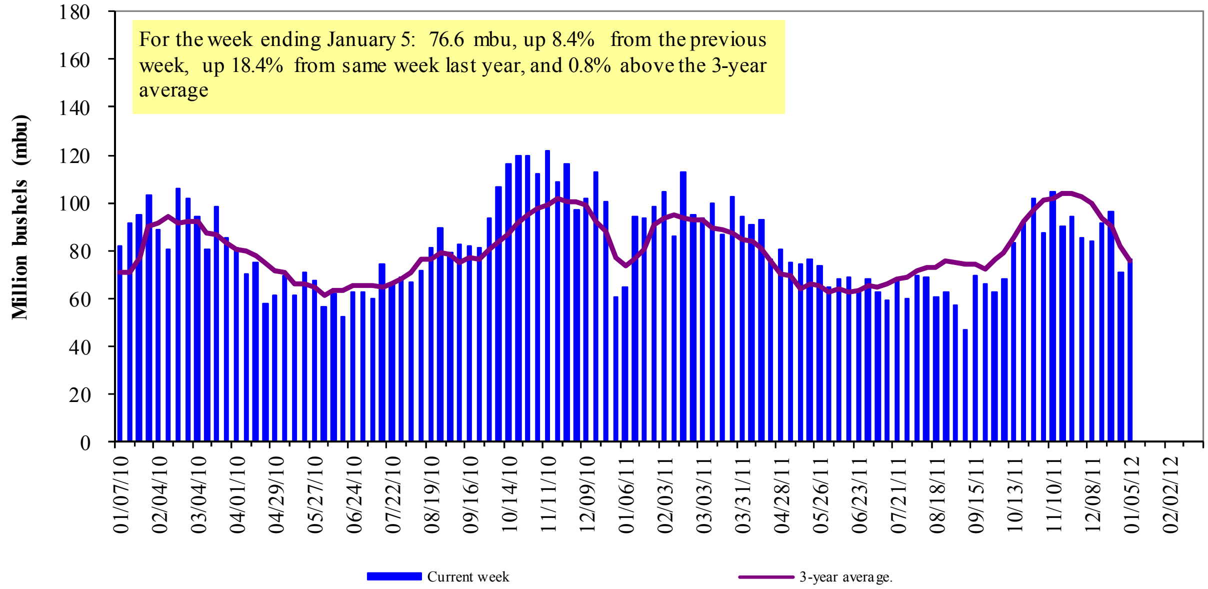
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2010.

Figure 14

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

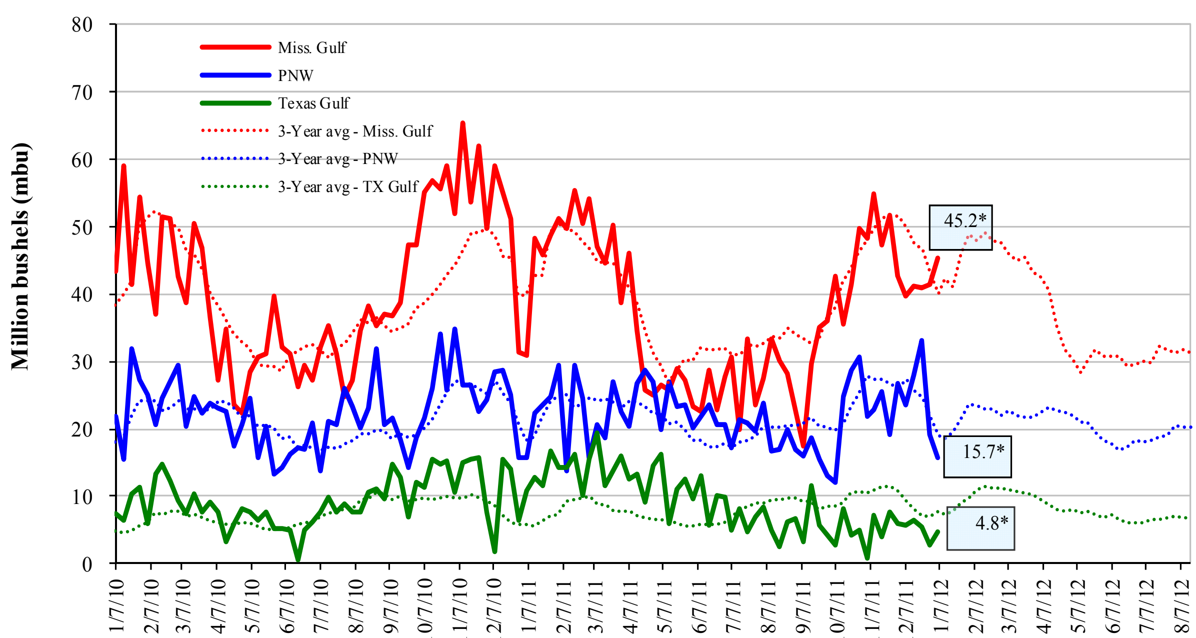


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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)



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

Jauuary 5 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 10	up 72	up 14	down 18
Last year (same week)	up 47	down 56	up 20	unchanged
3-yr avg. (4-wk mov. avg.)	up 13	down 37	up 5	down 11

Ocean Transportation

Table 17

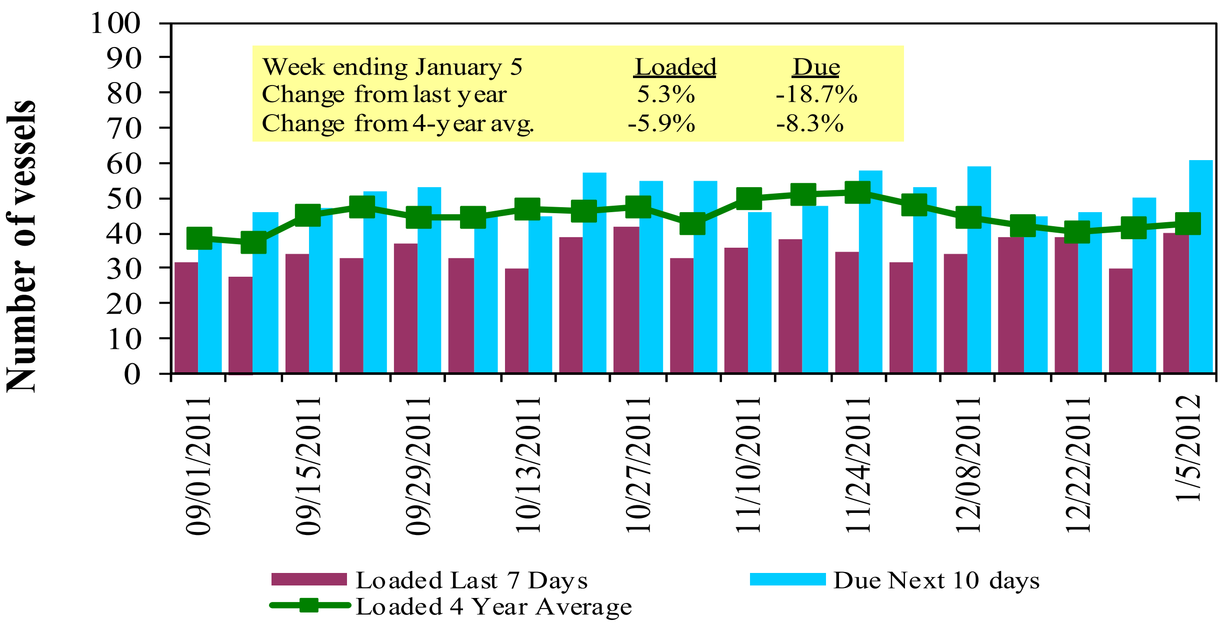
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
1/5/2012	21	40	61	10	6
12/29/2011	26	30	50	9	7
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

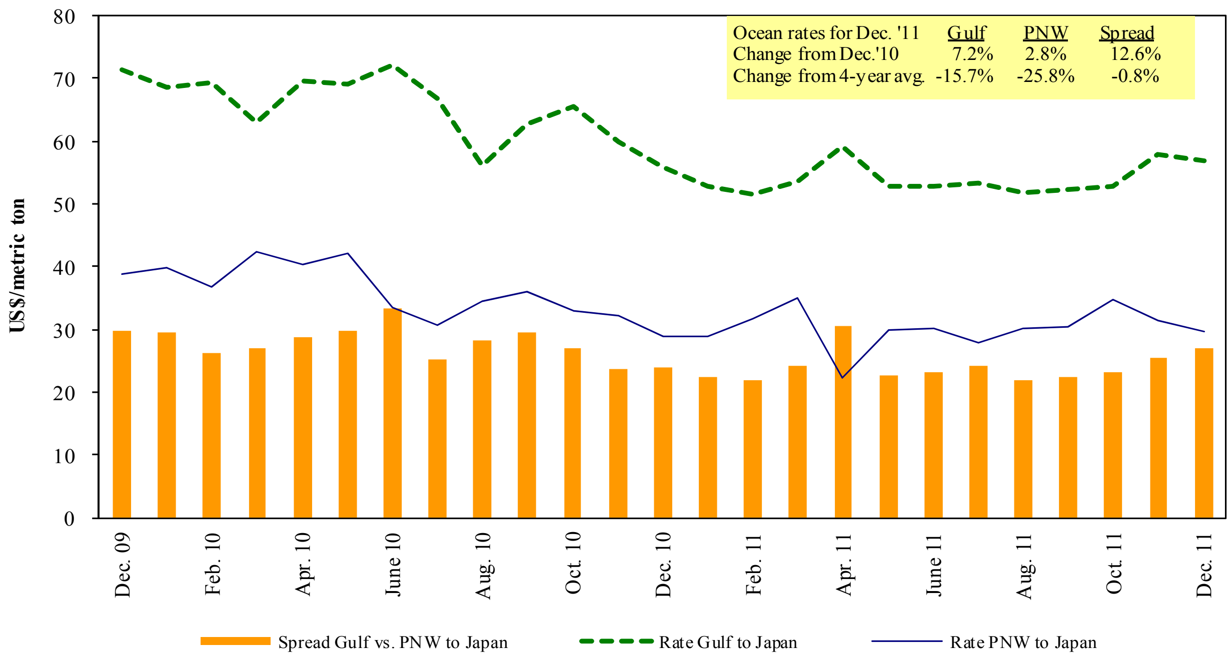
U.S. Gulf[1] Vessel Loading Activity



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 1/7/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 20/30	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 15/30	55,000	55.50
U.S. Gulf	China	Heavy Grain	Dec 10/20	55,000	56.00
U.S. Gulf	China	Heavy Grain	Dec 1/30	55,000	51.00
U.S. Gulf	China	Heavy Grain	Oct 21/30	55,000	52.50
U.S. Gulf	China	Heavy Grain	Oct 5/10	60,000	59.00
U.S. Gulf	Korea	Grain	Nov 25/Dec 5	55,000	57.00
U.S. Gulf	Djibouti[1]	Wheat	Dec 5/15	35,800	125.25
PNW	China	Grain	Jan 10/20	55,000	26.75
PNW	China	Heavy Grain	Dec 5/20	6,500	26.00
Russia	Yemen	Grain	Dec 1/3	35,000	42.00

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

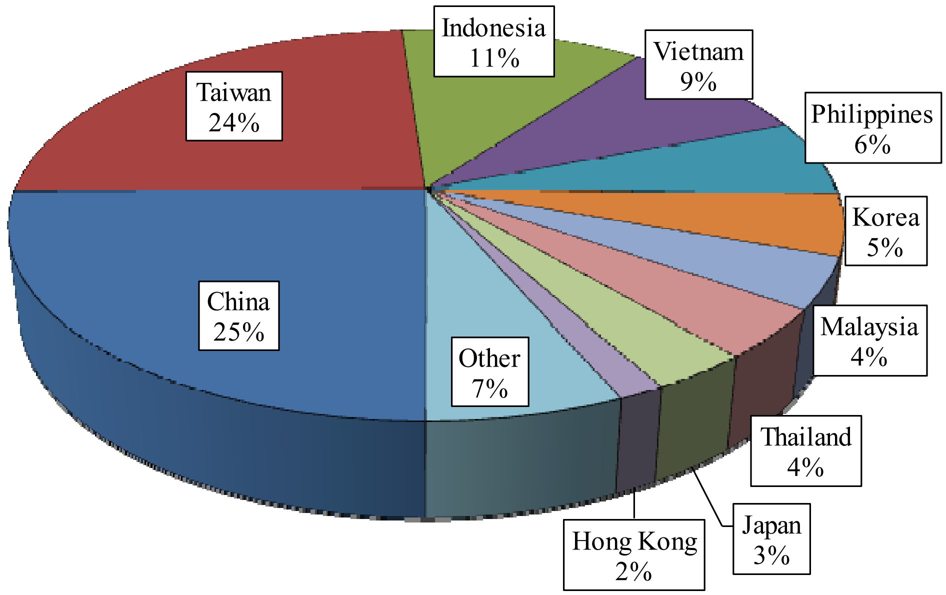
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2010, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 7 percent of U.S. grain exports to Asia. Asia is the top destination for U.S. containerized grain exports—94 percent in 2010.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, October 2011

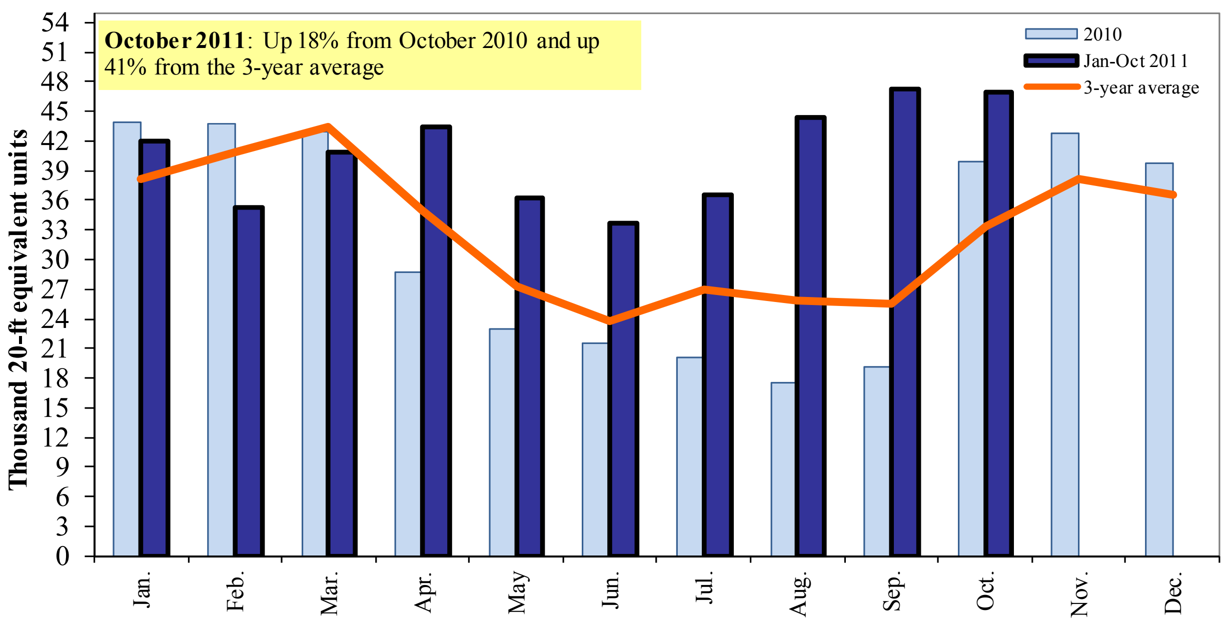


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 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 (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

Contacts and Links

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Weekly Highlight Editors		
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Rail Transportation		
Marvin Prater	marvin.prater@ams.usda.gov	(202) 720 - 0299
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Barge Transportation		
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Truck Transportation		
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Grain Exports		
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 295 - 7374

Subscription Information: Send relevant information to **GTRContactUs@ams.usda.gov** for an electronic copy *(printed copies are also available upon request)*.