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Transportation and Marketing Programs/Transportation Services Division
www.ams.usda.gov/GTR

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WEEKLY HIGHLIGHTS

STB Reschedules Hearing on Rail Competition

The Surface Transportation Board (STB) will receive comments and hold a public hearing to explore the current state of competition in the rail industry and policy alternatives to facilitate more competition. The rescheduled hearing will reconsider past decisions on the bottleneck and competitive access issues. Initial comments are now due April 12 instead of February 18; the hearing will begin June 22 instead of May 3.

Major Railroads Increase Capital Expenditures

Increased railroad capital expenditures during 2011 are expected to boost rail capacity and efficiency. Of the major railroads, BNSF Railway Company has announced the largest capital expenditure budget—$3.5 billion in 2011, up 35 percent from 2010 expenditures of $2.6 billion. Other capital expenditure budget increases include Union Pacific Railroad at $3.2 billion (up 23 percent), CSX Corporation at $2 billion (up 11 percent), Norfolk Southern Corporation at $1.74 billion (up 19 percent), and Canadian Pacific at approximately $1 billion (up 25 percent). Kansas City Southern, which expects low double-digit revenue growth, has budgeted capital expenditures at 17.5 percent of annual revenue. Canadian National has budgeted $1.7 billion, a little more than its average of $1.6 billion the last several years.

Diesel Fuel Prices Jump another 7 Cents per Gallon

During the week ending February 7, U.S. average **diesel fuel prices** increased 7 cents per gallon to $3.51, 2 percent higher than the previous week and 27 percent higher than the same week last year. Average diesel fuel prices have increased 18 cents per gallon since the beginning of 2011, pressured by rising crude oil prices since late 2010. The Energy Information Administration (EIA) expects the price of West Texas Intermediate crude oil to average about $93 per barrel in 2011, $14 higher than the average price last year. However, many uncertainties in the market could affect the EIA expectations, including the rate of economic recovery and OPEC’s production response, China’s efforts to address concerns regarding its growth and inflation rates, and continued unrest in Egypt and its potential impact on transit through the Suez Canal.

Weekly Wheat Inspections Rebound

For the week ending February 3, **total inspections of grain** (corn, wheat, and soybeans) from all major U.S. export regions reached 2.47 million metric tons (mmt), down 2 percent from the previous week but 19 percent above last year. Wheat inspections (.784 mmt) increased 20 percent from the past week due to increased shipments to Africa and Asia. Corn inspections (.612 mmt), however, slipped 23 percent as shipments to Asia dropped. Soybean inspections (1.07mmt) remained about the same. The current four week running average inspections of all three major grains (2.40 mmt) was 5 percent above the same period last year.

Snapshots by Sector

Rail

U.S. railroads originated 24,925 **carloads of grain** during the week ending January 29, up 6 percent from last week, 6 percent from last year, and 7 percent higher than the 3-year average.

During the week ending February 3, average February non-shuttle **secondary railcar bids/offers** were $133.50 above tariff, up $44 from last week. Average shuttle rates were $185 above tariff, up $283 from last week.

Barge

During the week ending February 5, **barge grain movements** totaled 462,394 tons, 21 percent lower than the previous week and 33 percent lower than the same period last year.

During the week ending February 5, 288 grain barges **moved down river**, down 22 percent from last week; 637 grain barges were **unloaded in New Orleans**, down 9 percent from the previous week.

Ocean

During the week ending February 3, 44 **ocean-going grain vessels** were loaded in the Gulf, down 6 percent from last year. Seventy-three vessels are expected to be loaded in the U.S. Gulf within the next 10 days, down 13 percent from last year.

During the week ending February 4, the cost of shipping grain from the Gulf to Japan averaged $49 per mt, unchanged from the previous week. The rate from the Pacific Northwest to Japan was $29 per mt, up 7 percent from the previous week.

Containerized Grain

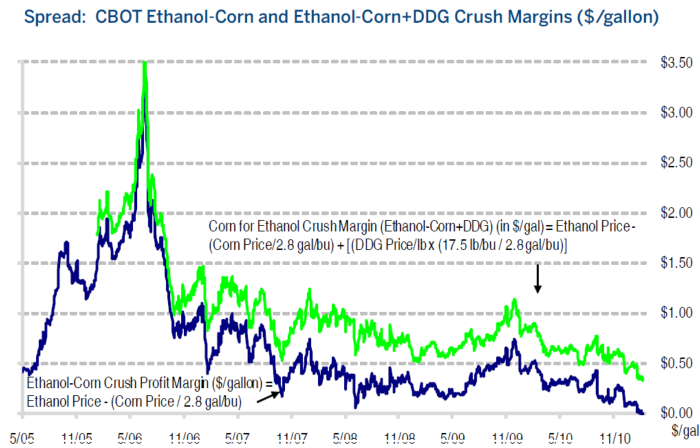
Containerized grain exports to Asia in November were 6 percent higher than the previous year, 4 percent higher than the 3-year average, and 7 percent higher than October movements.

Feature Article/Calendar

Growth Continues in Railroad Movements of Ethanol and Distillers Grains

According to the U.S. Energy Information Administration monthly and weekly data, U.S. ethanol production in 2010 reached 13.4 billion gallons with plant capacity utilization rates above 95 percent for most of the year. This production level now approaches the 15-billion gallon per year (bgy) cap set by the 2007 Energy Law (EISA/RFS2) for corn starch ethanol by 2015. Rising crude oil prices and continued demand for renewable fuels and distillers grain has kept ethanol production profitable in 2010 (see figure 1). Railroads remain the primary mode for moving ethanol and distillers grains, with increased movements consistent with growth in production of ethanol and distillers grains. Despite the recent announcement by the Environmental Protection Agency (EPA) that automobile models newer than 2001 are now able to use E-15, the 15-bgy corn starch ethanol cap and the slow pace of commercialization of the next generation biofuels, are the primary reasons for the projected slower growth rate of ethanol production in 2011.

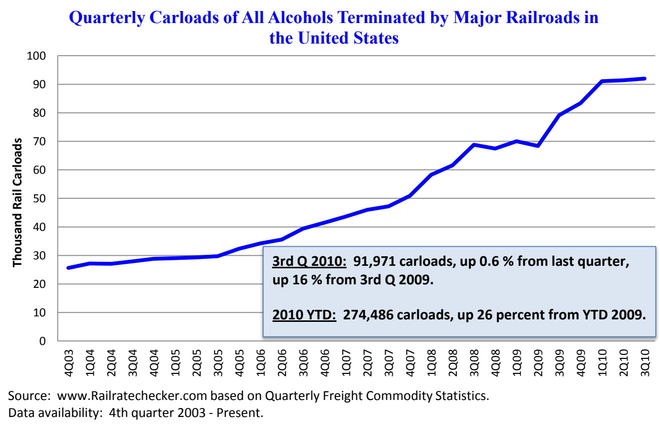
Figure 1:



Source: CME group weekly ethanol newsletter.

During the first three quarters of 2010, U.S. ethanol production reached 9.7 billion gallons, up 23 percent from the same period last year. During that period, the major railroads in the United States moved 274,486 rail carloads of ethanol, up 26 percent from the previous year (see figure 2). Higher utilization of unit trains (trains with 80-100 railcars) and more rail-accessible blending terminals may be the primary factors for this increase.

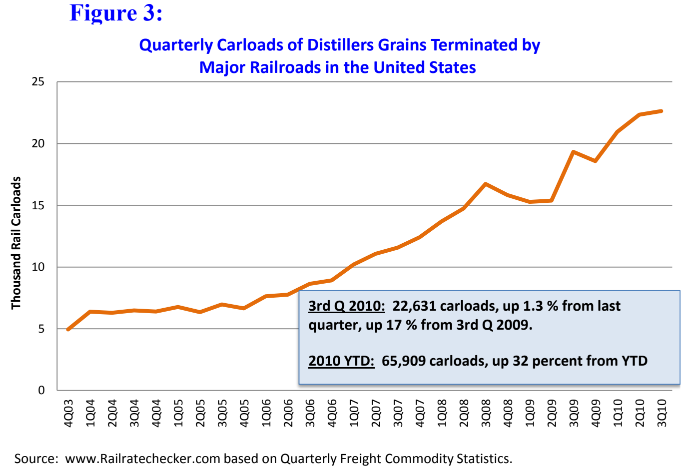
Figure 2:



Source: www.Railratechecker.com based on Quarterly Freight Commodity Statistics.
Data availability: 4th quarter 2003 - Present.

For most of 2010, shippers of distillers grains continued to increase their reliance on rail service. During the first three quarters of 2010, railroads moved 65,909 carloads of distillers grain, up 32 percent from the same period last year (see figure 3). The growth in movement of distillers grains by rail has been faster than that for ethanol, possibly due to the growing export market, which relies on rail transportation to deliver the product to port from the ethanol production regions in the Midwest. During the first 11 months of 2010, exports of distillers grains totaled 8.2 million metric tons, up 47 percent from the previous year.

Figure 3:



Source: www.Railratechecker.com based on Quarterly Freight Commodity Statistics.
Data availability: 4th quarter 2003 - Present.

The outlook for ethanol in 2011 is mixed. Profitability of ethanol production is threatened by rising grain prices due to tighter global supplies. However, EISA/RFS2 mandates and the rising petroleum prices could mitigate price risk, enabling ethanol producers to maintain capacity utilization rates and keep moving the product to market via rail.

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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
02/09/11	236	135	299	219	206
02/02/11	231	185	306	219	191

[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	2/4/2011	1/28/2011
Corn	IL--Gulf	-0.71	-0.71
Corn	NE--Gulf	-0.90	-0.88
Soybean	IA--Gulf	-1.27	-1.32
HRW	KS--Gulf	-1.48	-1.50
HRS	ND--Portland	-4.06	-4.06

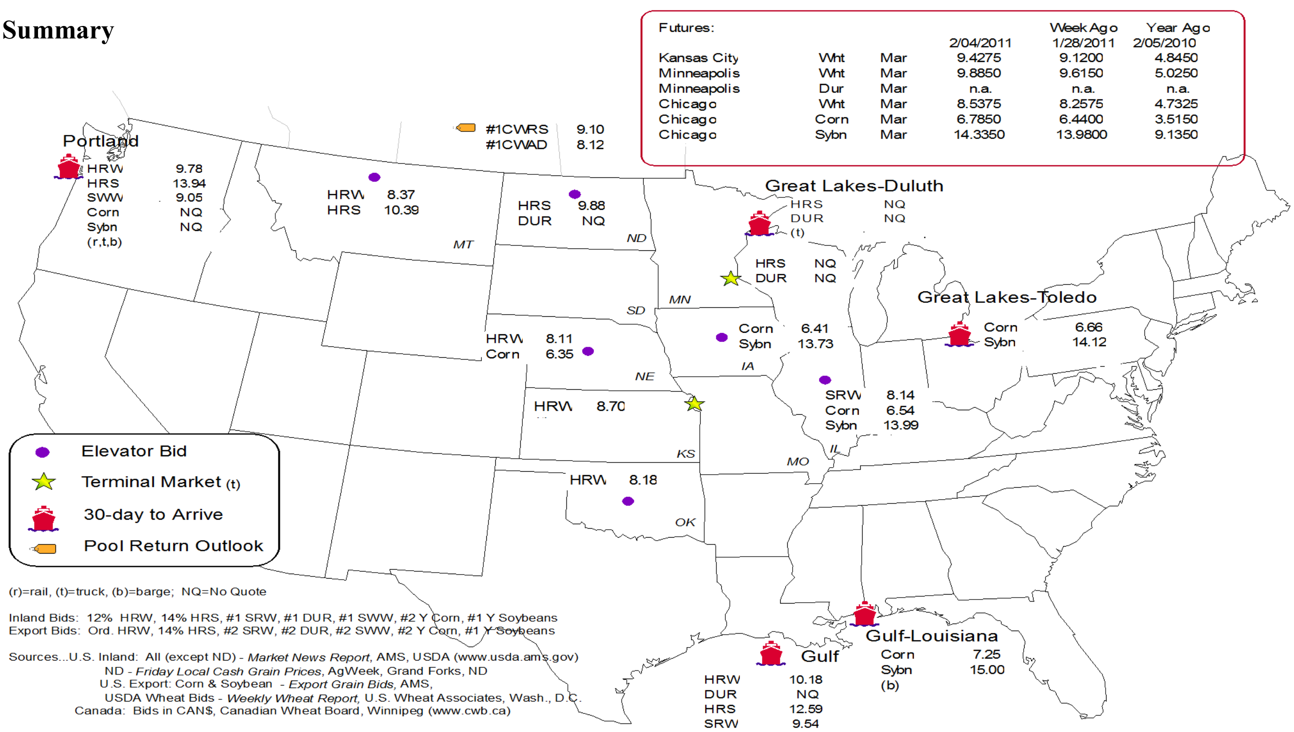
Note: nq = no quote

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
2/02/2011[p]	940	1,638	755	4,575	608	8,516
1/26/2010[r]	1,200	1,847	460	4,716	792	9,015
2011 YTD	5,496	9,958	2,732	20,026	4,009	42,221
2010YTD	2,643	7,584	3,166	15,783	6,215	35,391
2011 YTD as % of 2010 YTD	208	131	86	127	65	119
Last 4 weeks as % of 2010[2]	204	135	97	128	62	121
Last 4 weeks as % of 4-year avg.[2]	84	128	94	98	84	100
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933
Total 2009	33,423	57,646	36,738	175,965	30,328	334,100

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2010 and prior 4-year average.

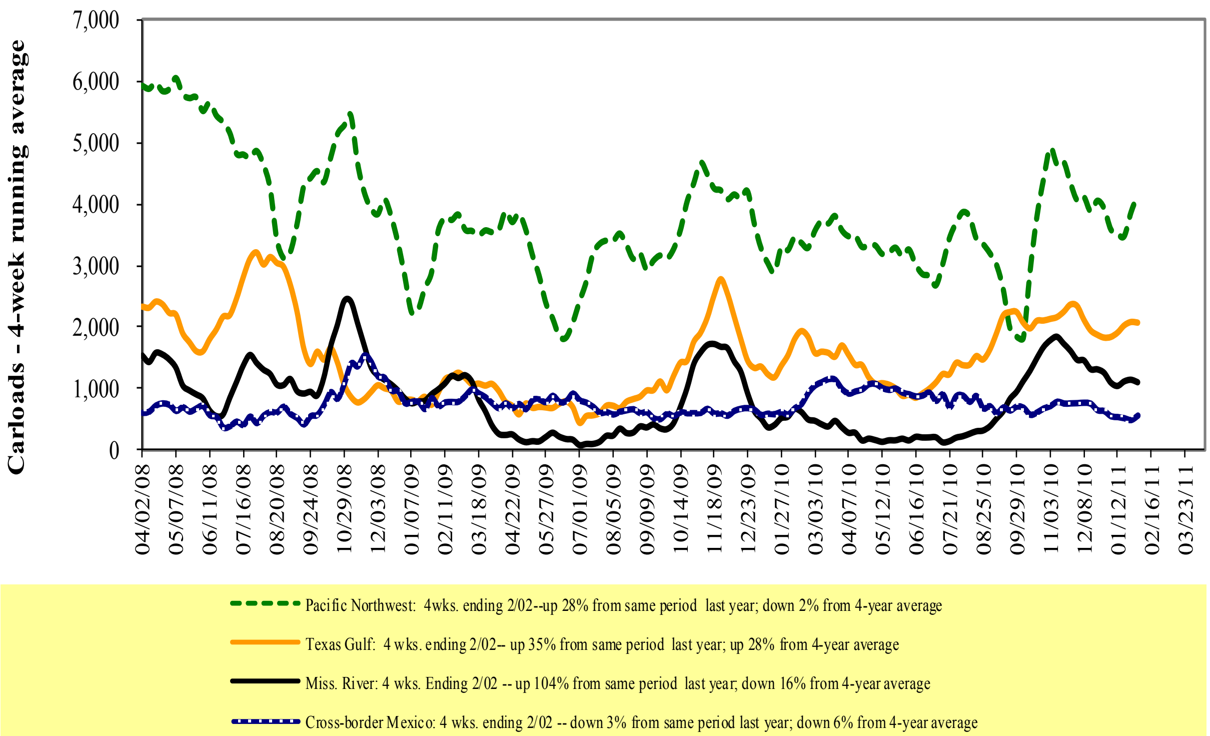
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

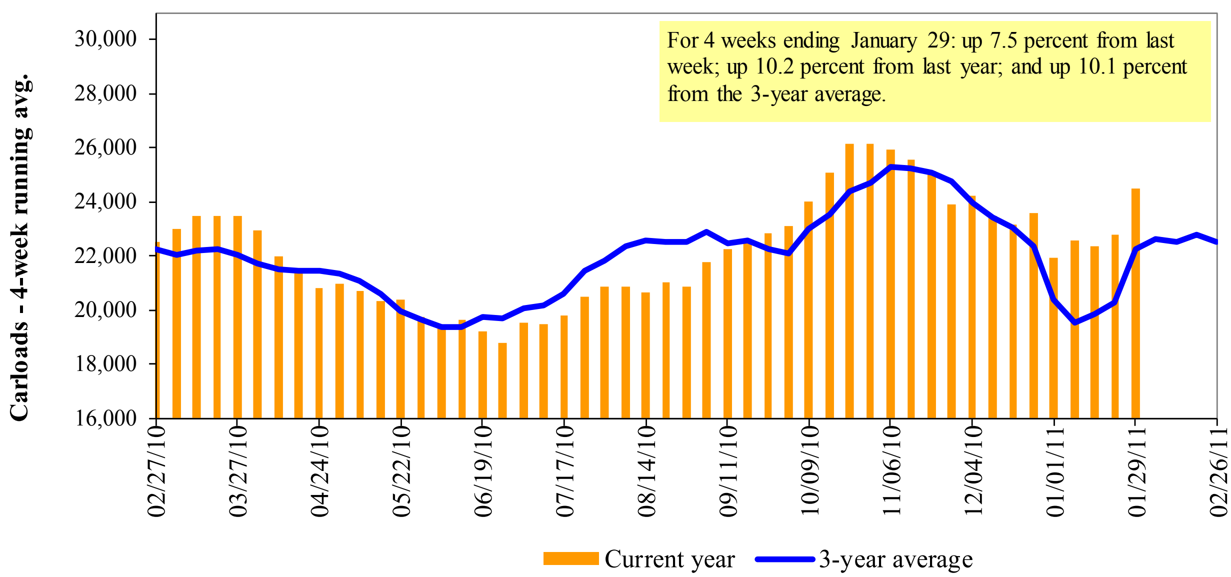
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
01/29/11	2,423	2,982	12,391	630	6,499	24,925	4,213	4,431
This week last year	2,830	2,894	10,981	707	6,118	23,530	3,975	4,370
2011 YTD	9,825	12,282	47,651	2,648	25,560	97,966	15,225	18,289
2010 YTD	9,995	11,763	42,737	3,017	21,353	88,865	16,434	21,339
2011 YTD as % of 2010 YTD	98	104	111	88	120	110	93	86
Last 4 weeks as % of 2010[1]	98	104	111	88	120	110	93	86
Last 4 weeks as % of 3-yr avg.	89	110	116	88	113	110	88	90
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

Rail Car Auction Offerings[1] ($/car)[2]

Week ending	Delivery period							
2/3/2011	**Feb-11**	**Feb-10**	**Mar-11**	**Mar-10**	**Apr-11**	**Apr-10**	**May-11**	**May-10**
BNSF[3]								
COT grain units	no offer	13	no offer	0	0	no bids	0	no bids
COT grain single-car[5]	no offer	78	no offer	1 . . 5	0 . . 11	0	0 . . 6	no bids
UP[4]								
GCAS/Region 1	1	no bids	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.

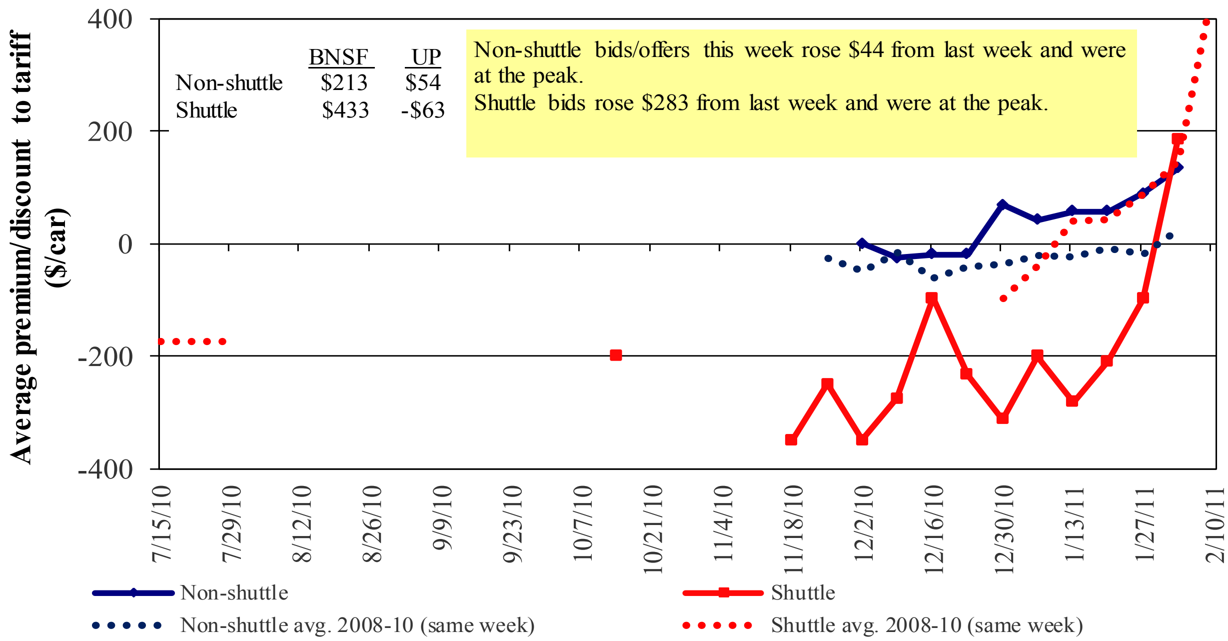
[5]Range is shown because average is not available. Not available = n/a.

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 February 2011, Secondary Market

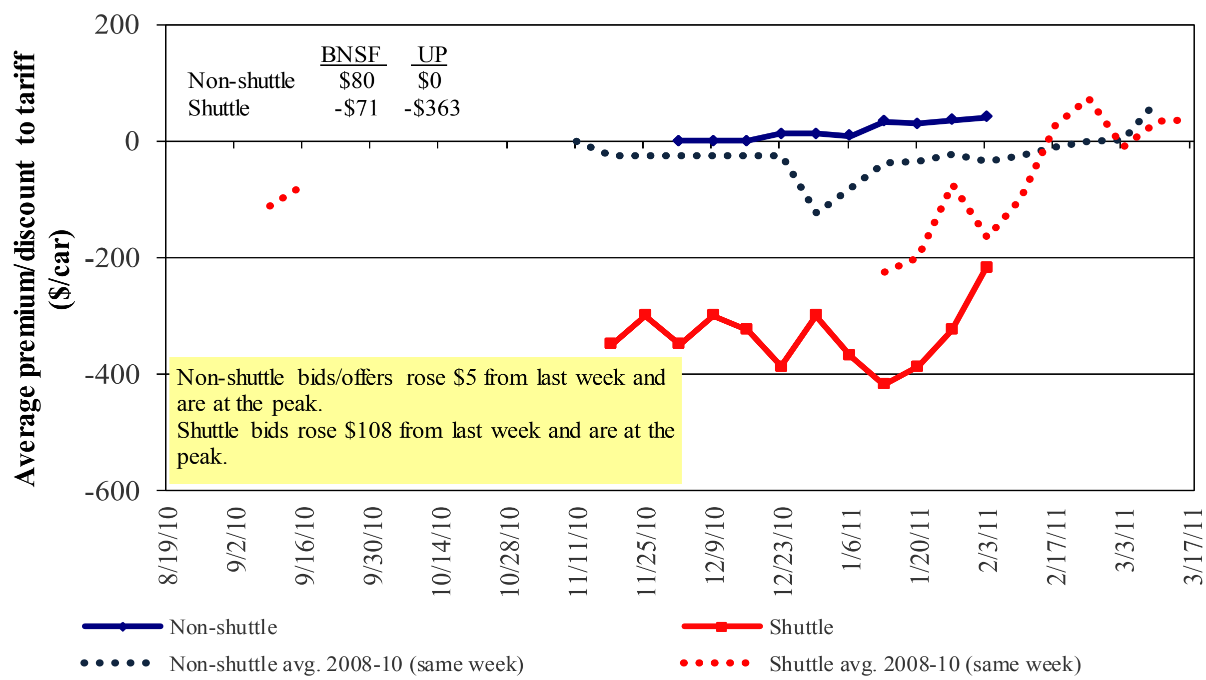


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in March 2011, Secondary Market

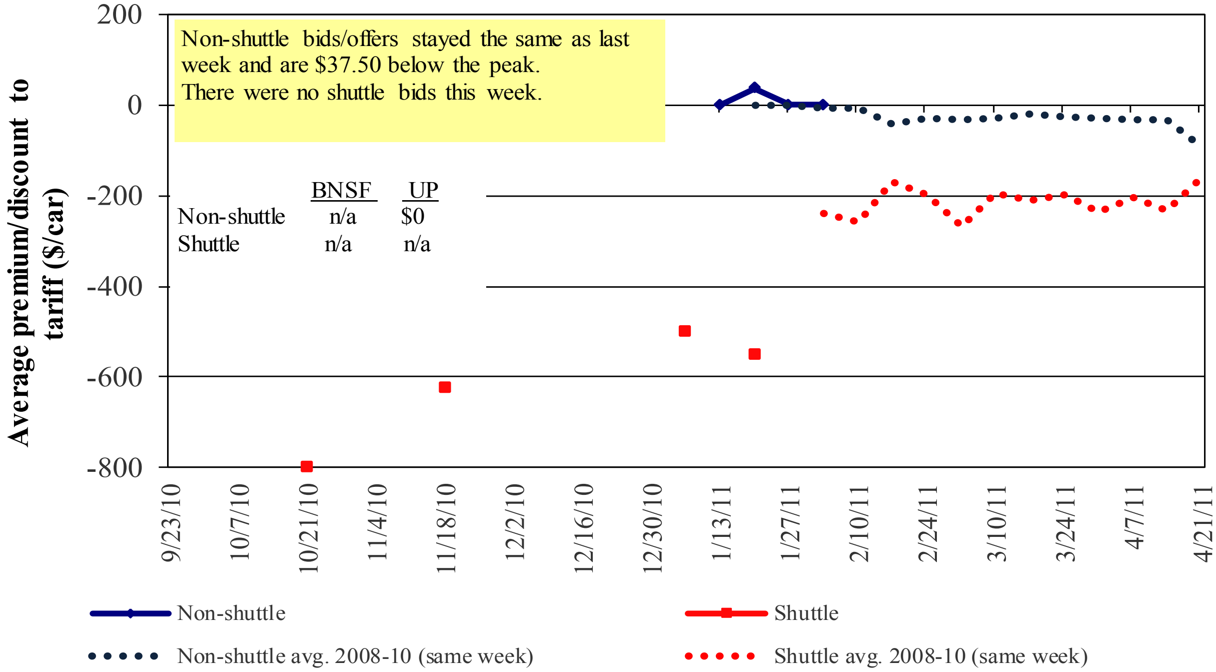


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in April 2011, 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 Rail Car Market ($/car)[1]

Week ending 2/3/2011	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11
	Delivery period					
Non-shuttle						
BNSF-GF	213	80	n/a	n/a	n/a	n/a
Change from last week	46	10	n/a	n/a	n/a	n/a
Change from same week 2010	169	72	n/a	n/a	n/a	n/a
UP-Pool	54	-	-	-	n/a	n/a
Change from last week	42	-	-	-	n/a	n/a
Change from same week 2010	37	(6)	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	433	(71)	n/a	n/a	n/a	n/a
Change from last week	379	154	n/a	n/a	n/a	n/a
Change from same week 2010	8	(171)	n/a	n/a	n/a	n/a
UP-Pool	(63)	(363)	n/a	n/a	n/a	n/a
Change from last week	187	62	n/a	n/a	n/a	n/a
Change from same week 2010	(376)	n/a	n/a	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: 2/7/2011	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]
Unit train						
Wheat	Wichita, KS	St. Louis, MO	$2,883	$116	$29.79	$0.81
	Grand Forks, ND	Duluth-Superior, MN	$2,727	$149	$28.56	$0.78
	Wichita, KS	Los Angeles, CA	$5,232	$765	$59.55	$1.62
	Wichita, KS	New Orleans, LA	$3,384	$205	$35.64	$0.97
	Sioux Falls, SD	Galveston-Houston, TX	$5,167	$628	$57.55	$1.57
	Northwest KS	Galveston-Houston, TX	$3,651	$224	$38.48	$1.05
	Amarillo, TX	Los Angeles, CA	$3,850	$312	$41.33	$1.12
Corn	Champaign-Urbana, IL	New Orleans, LA	$2,812	$231	$30.22	$0.82
	Toledo, OH	Raleigh, NC	$3,760	$277	$40.09	$1.09
	Des Moines, IA	Davenport, IA	$1,843	$49	$18.79	$0.51
	Indianapolis, IN	Atlanta, GA	$3,196	$208	$33.80	$0.92
	Indianapolis, IN	Knoxville, TN	$2,760	$133	$28.73	$0.78
	Des Moines, IA	Little Rock, AR	$2,938	$144	$30.61	$0.83
	Des Moines, IA	Los Angeles, CA	$4,372	$419	$47.58	$1.29
Soybeans	Minneapolis, MN	New Orleans, LA	$3,391	$238	$36.04	$0.98
	Toledo, OH	Huntsville, AL	$2,921	$197	$30.96	$0.84
	Indianapolis, IN	Raleigh, NC	$3,830	$279	$40.80	$1.11
	Indianapolis, IN	Huntsville, AL	$2,613	$133	$27.27	$0.74
	Champaign-Urbana, IL	New Orleans, LA	$3,156	$231	$33.64	$0.92
Shuttle Train						
Wheat	Great Falls, MT	Portland, OR	$2,966	$440	$33.82	$0.92
	Wichita, KS	Galveston-Houston, TX	$2,987	$343	$33.06	$0.90
	Chicago, IL	Albany, NY	$3,497	$260	$37.31	$1.02
	Grand Forks, ND	Portland, OR	$4,229	$760	$49.54	$1.35
	Grand Forks, ND	Galveston-Houston, TX	$5,144	$792	$58.94	$1.60
	Northwest KS	Portland, OR	$4,619	$368	$49.52	$1.35
Corn	Minneapolis, MN	Portland, OR	$4,120	$926	$50.10	$1.36
	Sioux Falls, SD	Tacoma, WA	$4,120	$848	$49.33	$1.34
	Champaign-Urbana, IL	New Orleans, LA	$2,677	$231	$28.88	$0.79
	Lincoln, NE	Galveston-Houston, TX	$2,880	$494	$33.51	$0.91
	Des Moines, IA	Amarillo, TX	$3,330	$181	$34.87	$0.95
	Minneapolis, MN	Tacoma, WA	$4,120	$918	$50.03	$1.36
	Council Bluffs, IA	Stockton, CA	$3,480	$950	$43.99	$1.20
Soybeans	Sioux Falls, SD	Tacoma, WA	$4,320	$848	$51.32	$1.40
	Minneapolis, MN	Portland, OR	$4,270	$926	$51.59	$1.40
	Fargo, ND	Tacoma, WA	$4,270	$754	$49.89	$1.36
	Council Bluffs, IA	New Orleans, LA	$3,510	$267	$37.51	$1.02
	Toledo, OH	Huntsville, AL	$2,536	$197	$27.14	$0.74
	Grand Island, NE	Portland, OR	$4,520	$377	$48.62	$1.32

[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

Commodity	Origin state	Destination region	Tariff rate/car[1]	Fuel surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	Tariff plus surcharge per: bushel[3]	Percent change Y/Y[4]
Effective date: 2/7/2011							
Wheat	MT	Chihuahua, CI	$6,854	$804	$78.25	$2.13	10
	OK	Cuautitlan, EM	$6,191	$646	$69.86	$1.90	10
	KS	Guadalajara, JA	$6,825	$914	$79.08	$2.15	11
	TX	Salinas Victoria, NL	$3,470	$221	$37.71	$1.03	12
Corn	IA	Guadalajara, JA	$7,056	$934	$81.64	$2.07	8
	SD	Penjamo, GJ	$6,619	$1,052	$78.38	$1.99	5
	NE	Queretaro, QA	$6,240	$666	$70.56	$1.79	5
	SD	Salinas Victoria, NL	$4,785	$800	$57.06	$1.45	8
	MO	Tlalnepantla, EM	$5,428	$648	$62.09	$1.58	6
	SD	Torreon, CU	$5,681	$881	$67.05	$1.70	9
Soybeans	MO	Bojay (Tula), HG	$6,208	$800	$71.61	$1.95	6
	NE	Guadalajara, JA	$7,020	$910	$81.02	$2.20	11
	IA	El Castillo, JA[5]	$7,060	$1,046	$82.82	$2.25	9
	KS	Torreon, CU	$5,675	$595	$64.07	$1.74	11
Sorghum	OK	Cuautitlan, EM	$4,729	$799	$56.48	$1.43	11
	TX	Guadalajara, JA	$5,781	$685	$66.06	$1.68	7
	NE	Penjamo, GJ	$6,407	$825	$73.89	$1.88	3
	KS	Queretaro, QA	$5,641	$500	$62.74	$1.59	7
	NE	Salinas Victoria, NL	$4,500	$512	$51.20	$1.30	8
	NE	Torreon, CU	$5,546	$653	$63.34	$1.61	8

[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

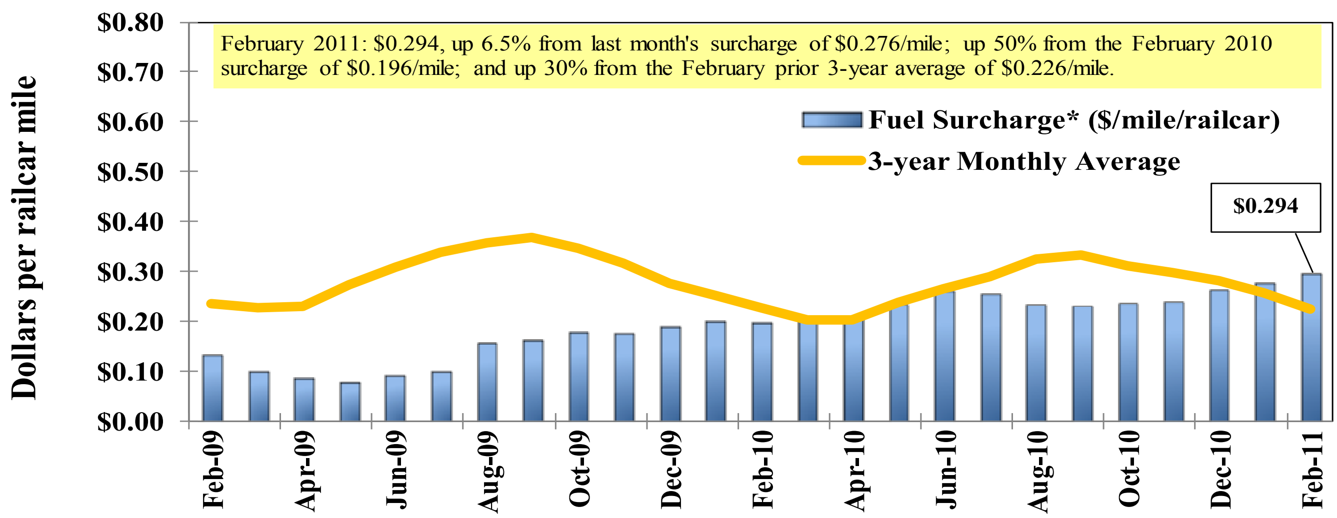
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[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.

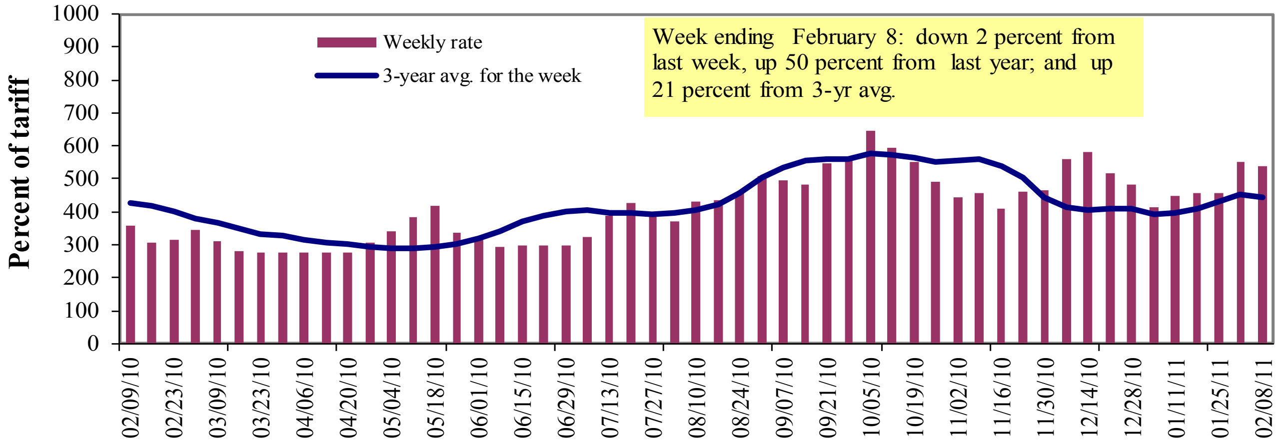
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	2/8/2011	-	-	538	429	435	435	391
	2/1/2011	-	-	550	474	423	423	383
$/ton	2/8/2011	-	-	24.96	17.12	20.40	17.57	12.28
	2/1/2011	-	-	25.52	18.91	19.84	17.09	12.03
Current week % change from the same week:								
	Last year	-	-	50	66	44	44	65
	3-year avg. [2]	-	-	21	23	23	23	28
Rate[1]	March	-	-	428	342	380	380	332
	May	440	403	393	300	358	358	277

[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

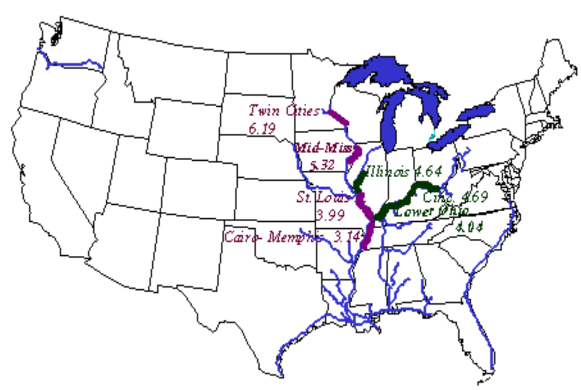
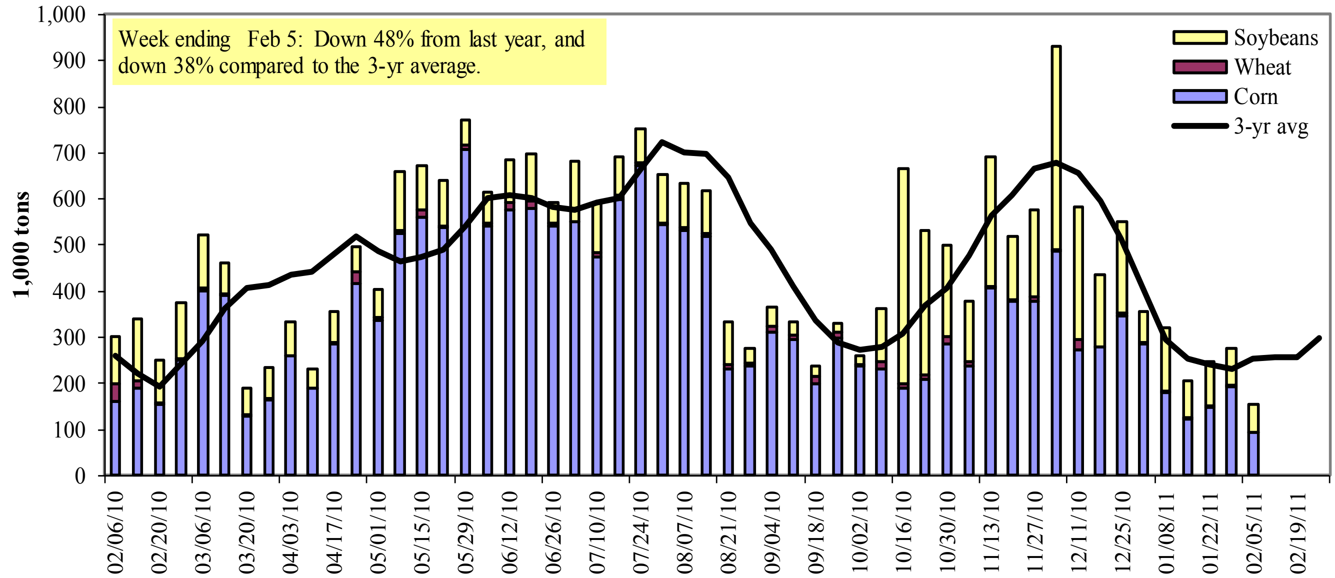


Figure 10

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 2/5/2011	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)	95	0	52	0	147
Granite City, IL (L27)	95	0	61	0	157
Illinois River (L8)	91	0	33	0	124
Ohio River (L52)	170	5	83	0	258
Arkansas River (L1)	0	10	31	7	48
Weekly total - 2011	265	15	175	7	462
Weekly total - 2010	317	42	313	20	692
2011 YTD[1]	1,451	92	1,164	21	2,728
2010 YTD	1,254	136	1,294	57	2,740
2011 as % of 2010 YTD	116	68	90	38	100
Last 4 weeks as % of 2010[2]	104	57	78	39	88
Total 2010	22,768	1,220	10,373	481	34,841

[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.

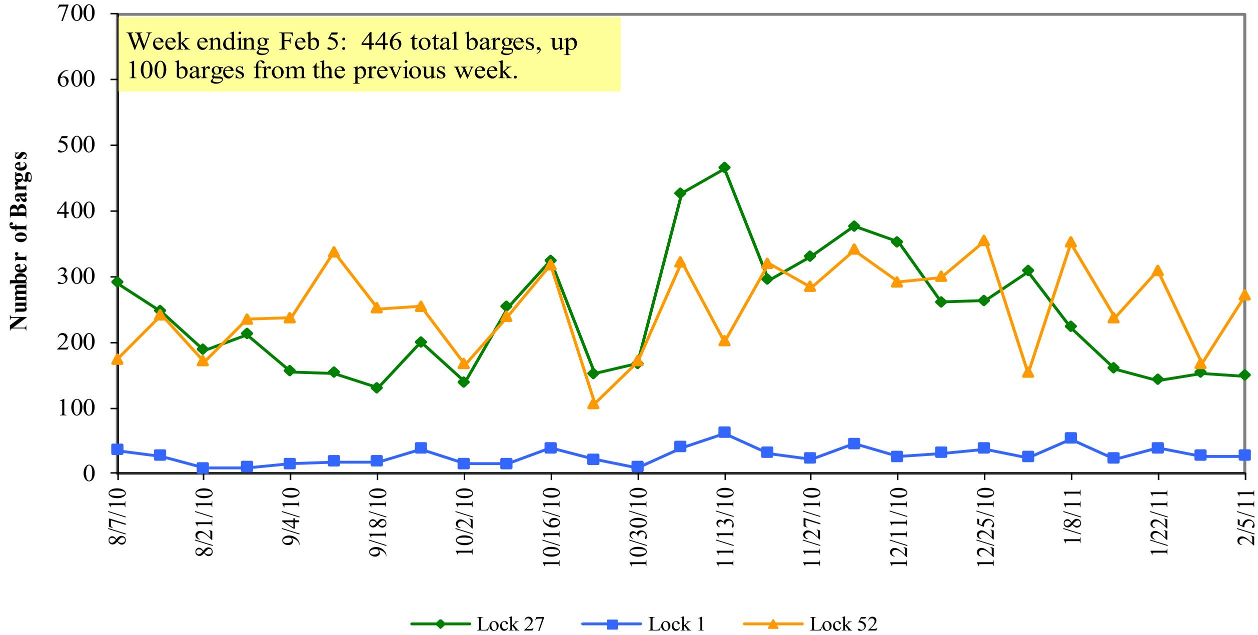
[2] As a percent of same period in 2010.

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

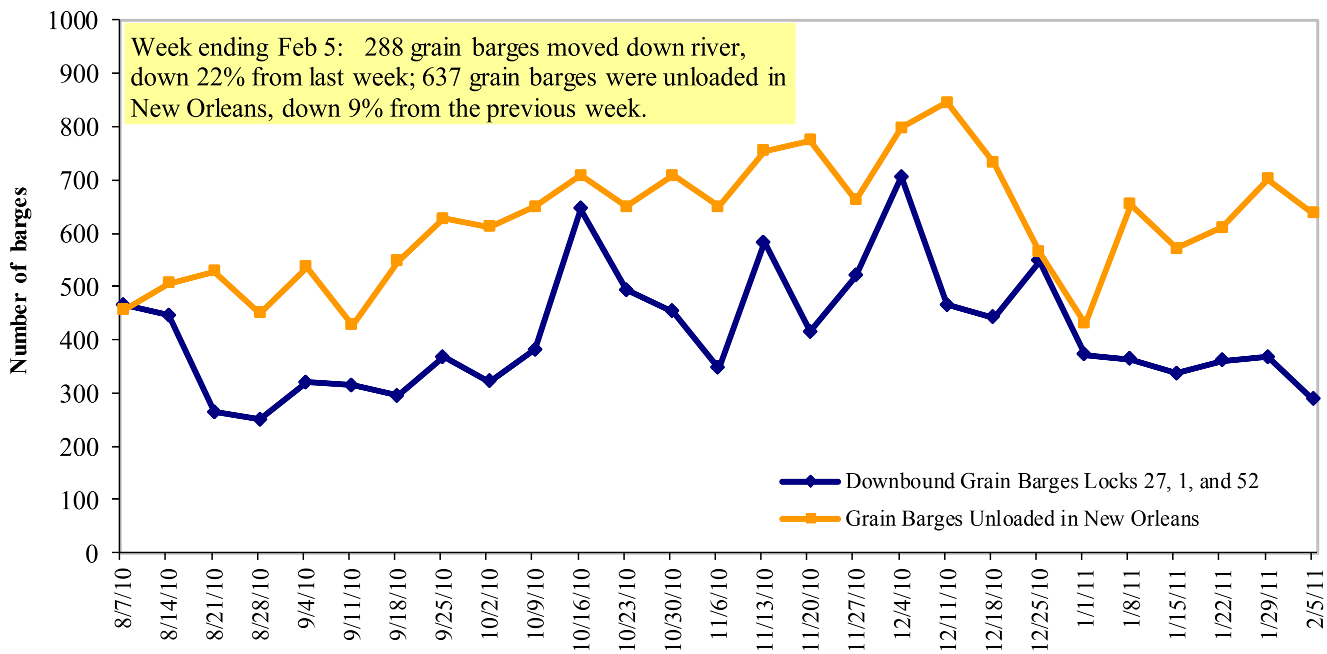
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 2/5/2011 (US $/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	3.565	0.071	0.746
	New England	3.717	0.084	0.703
	Central Atlantic	3.682	0.071	0.762
	Lower Atlantic	3.501	0.069	0.744
II	Midwest[2]	3.475	0.076	0.751
III	Gulf Coast[3]	3.455	0.071	0.726
IV	Rocky Mountain	3.459	0.063	0.677
V	West Coast	3.630	0.097	0.770
	California	3.707	0.095	0.787
Total	U.S.	3.513	0.075	0.744

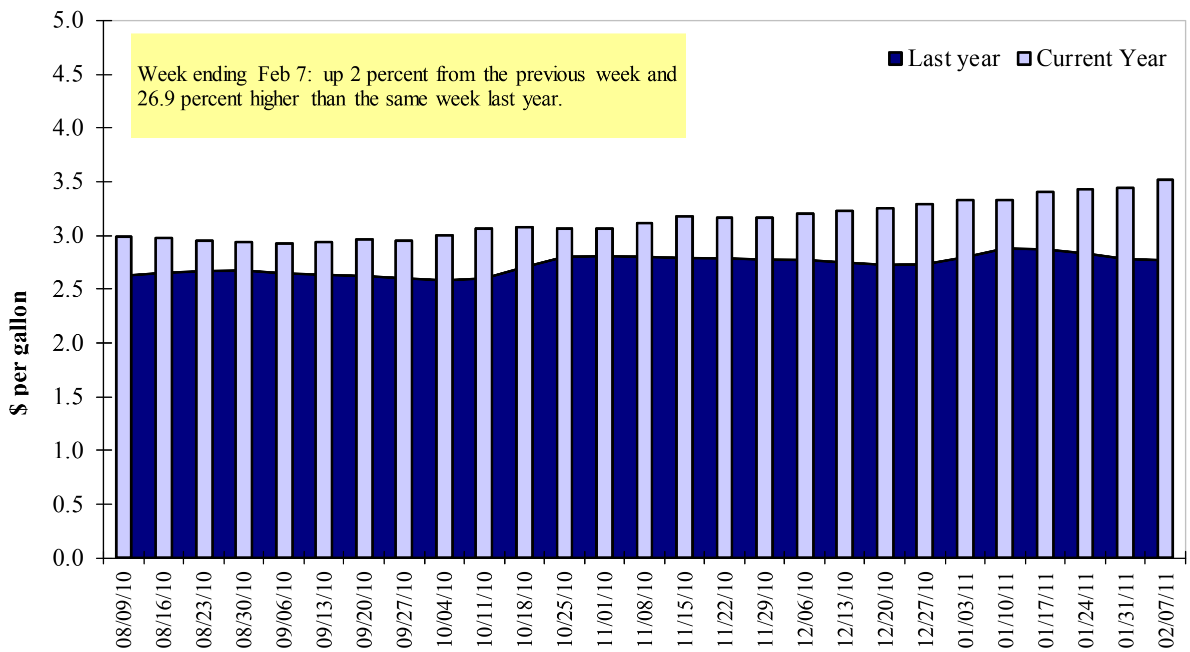
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
1/27/2011	3,915	844	2,667	1,301	116	8,843	12,005	12,478	33,326
This week year ago	1,644	484	1,073	886	194	4,282	11,775	9,415	25,472
Cumulative exports-marketing year[2]									
2010/11 YTD	9,345	1,454	5,273	3,033	706	19,810	17,245	25,886	62,941
2009/10 YTD	5,208	1,997	3,299	2,647	705	13,857	17,342	25,529	56,728
YTD 2010/11 as % of 2009/10	179	73	160	115	100	143	99	101	111
Last 4 wks as % of same period 2009/10	234	167	245	146	57	203	101	137	132
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385
2008/09 Total	11,244	5,100	5,408	3,420	454	25,626	44,650	33,705	103,981

[1] Current unshipped export sales to date

[2] Shipped export sales to date; the new marketing year 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 01/27/11	Total Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
Japan	8,444	7,501	13	14,343
Mexico	4,209	5,794	(27)	7,999
Korea	3,563	3,879	(8)	7,562
Taiwan	1,599	1,879	(15)	2,949
Egypt	1,995	1,122	78	2,935
Top 5 importers	**19,810**	**20,174**	**(2)**	**35,788**
Total US corn export sales	**29,250**	**29,117**	**0.5**	**50,460**
% of Projected	59%	58%		
Change from Last Week	1,167	1,826		
Top 5 importers' share of U.S. corn export sales	68%	69%		
USDA forecast, February 2011	**49,530**	**50,460**	**(2)**	
Corn Use for Ethanol USDA forecast, Ethanol February 2011	**125,730**	**116,027**	**8**	

(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 01/27/11	Total Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
China	24,082	21,528	12	22,454
Mexico	2,006	1,785	12	3,276
Japan	1,472	1,609	(8)	2,347
EU-25	2,047	2,088	(2)	2,647
Taiwan	1,148	1,206	(5)	1,556
Top 5 importers	**30,756**	**28,216**	**9**	**32,280**
Total US soybean export sales	**38,367**	**34,946**	**10**	**40,850**
% of Projected	89%	86%		
Change from last week	1,032	382		
Top 5 importers' share of U.S. soybean export sales	80%	81%		
USDA forecast, February 2011	**43,270**	**40,850**	**6**	
Soybean Use for Biodiesel USDA forecast, February 2011	**6,954**	**4,076**	**71**	

(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 01/27/2011	Total Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,575	2,569	0.2	3,233
Japan	2,895	2,427	19	3,148
Mexico	2,418	1,687	43	1,975
Philippines	1,762	1,504	17	1,518
Korea, South	1,363	980	39	1,111
Taiwan	778	618	26	844
Venezuela	592	489	21	658
Colombia	623	468	33	575
Peru	801	411	95	567
Egypt	2,898	456	536	529
Top 10 importers	**16,704**	**11,610**	**44**	**14,156**
Total US wheat export sales	**28,653**	**18,139**	**58**	**23,980**
% of Projected	81%	76%		
Change from last week	534	418		
Top 10 importers' share of U.S. wheat export sales	58%	64%		
USDA forecast, February 2010	**35,380**	**23,980**	**48**	

(n) indicates negative number.

[1]Based on FAS **2008/09** 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 02/03/11	Previous Week[1]	Current Week as % of Previous	2011 YTD[1]	2010 YTD[1]	2011 YTD as % of 2010 YTD	Last 4-weeks as % of 2010	Last 4-weeks as % of 3-yr. avg.	Total[1] 2010
Pacific Northwest									
Wheat	313	293	107	1,312	1,077	122	127	118	11,062
Corn	108	174	62	651	808	81	75	81	9,950
Soybeans	250	196	127	1,025	1,367	75	85	87	10,191
Total	**672**	**664**	**101**	**2,988**	**3,251**	**92**	**96**	**97**	**31,203**
Mississippi Gulf									
Wheat	94	136	69	479	330	145	153	155	4,199
Corn	474	573	83	2,006	2,362	85	94	77	29,794
Soybeans	790	666	119	3,581	3,754	95	97	111	22,519
Total	**1,358**	**1,375**	**99**	**6,066**	**6,446**	**94**	**99**	**98**	**56,512**
Texas Gulf									
Wheat	317	225	141	1,235	561	220	214	217	9,339
Corn	30	36	84	102	140	73	73	62	1,859
Soybeans	27	186	15	445	424	105	123	238	1,916
Total	**375**	**447**	**84**	**1,782**	**1,125**	**158**	**161**	**189**	**13,115**
Great Lakes									
Wheat	2	0	n/a	2	2	94	n/a	148	1,897
Corn	0	0	n/a	0	0	n/a	n/a	n/a	119
Soybeans	0	0	n/a	0	0	n/a	n/a	n/a	655
Total	**2**	**0**	n/a	**2**	**2**	**94**	**n/a**	**148**	**2,672**
Atlantic									
Wheat	58	0	16,346	199	48	418	293	591	343
Corn	0	11	0	32	32	97	145	41	469
Soybeans	6	18	34	167	267	62	73	110	1,417
Total	**64**	**30**	**217**	**397**	**347**	**114**	**115**	**142**	**2,229**
U.S. total from ports[2]									
Wheat	784	655	120	3,228	2,018	160	160	157	26,839
Corn	612	794	77	2,790	3,342	83	88	76	42,192
Soybeans	1,074	1,067	101	5,218	5,812	90	95	110	36,699
Total	**2,470**	**2,516**	**98**	**11,235**	**11,172**	**101**	**105**	**107**	**105,730**

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

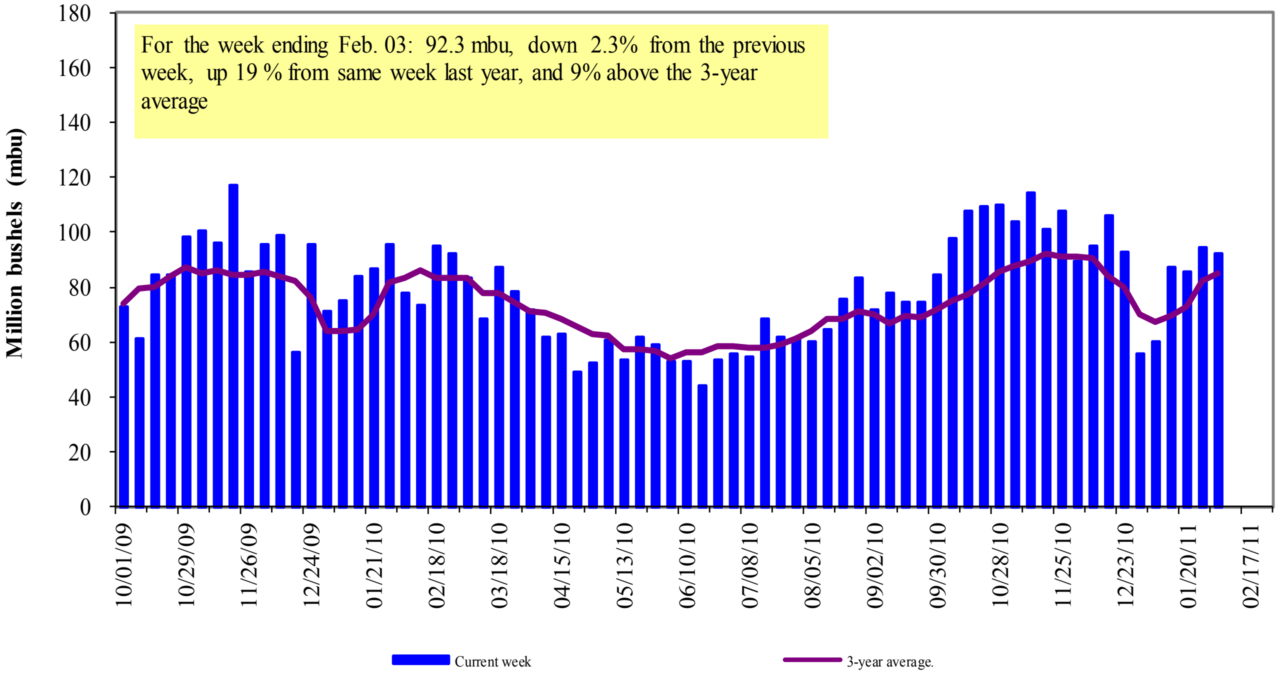
[2] Total includes only port regions shown above

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)

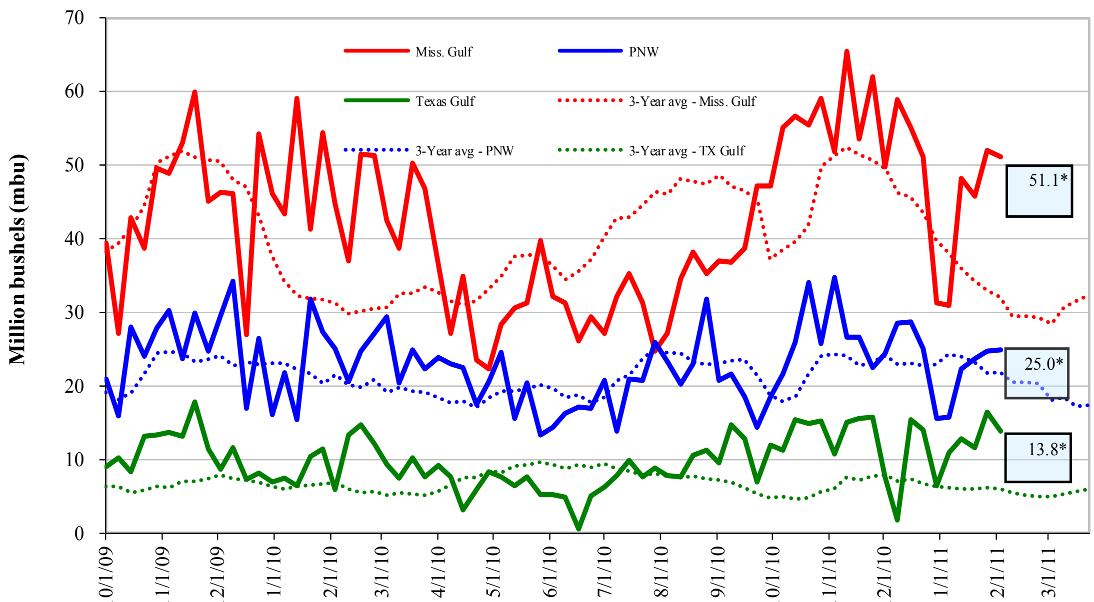


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

Feb. 03 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 2	down 16	down 5	up 1
Last year (same week)	up 14	up 136	up 28	down 1
3-yr avg. (4-wk mov. avg.)	up 1	up 90	up 12	up 1

Ocean Transportation

Table 17

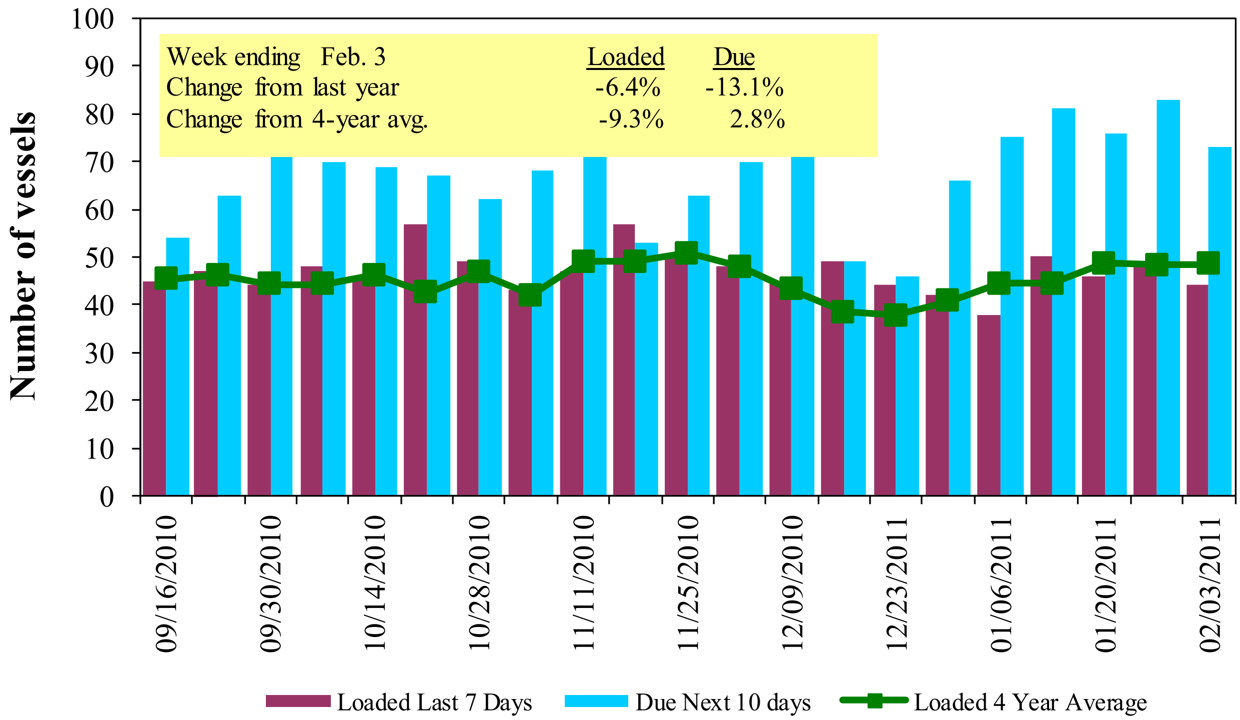
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
2/3/2011	58	44	73	18	15
1/27/2011	45	49	83	17	17
2010 range	(15..69)	(30..57)	(33..84)	(4..24)	(2..20)
2010 avg.	41	42	58	12	11

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

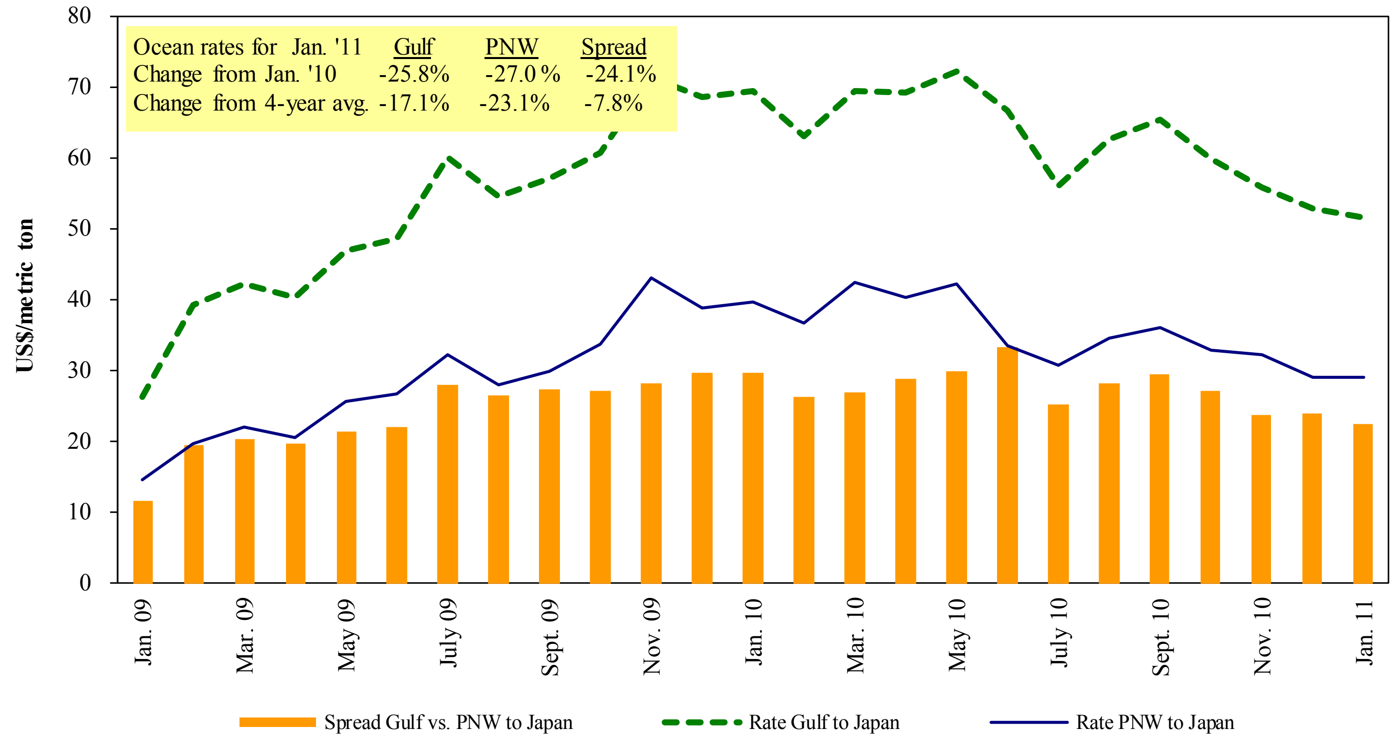


Source:Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 2/5/2011

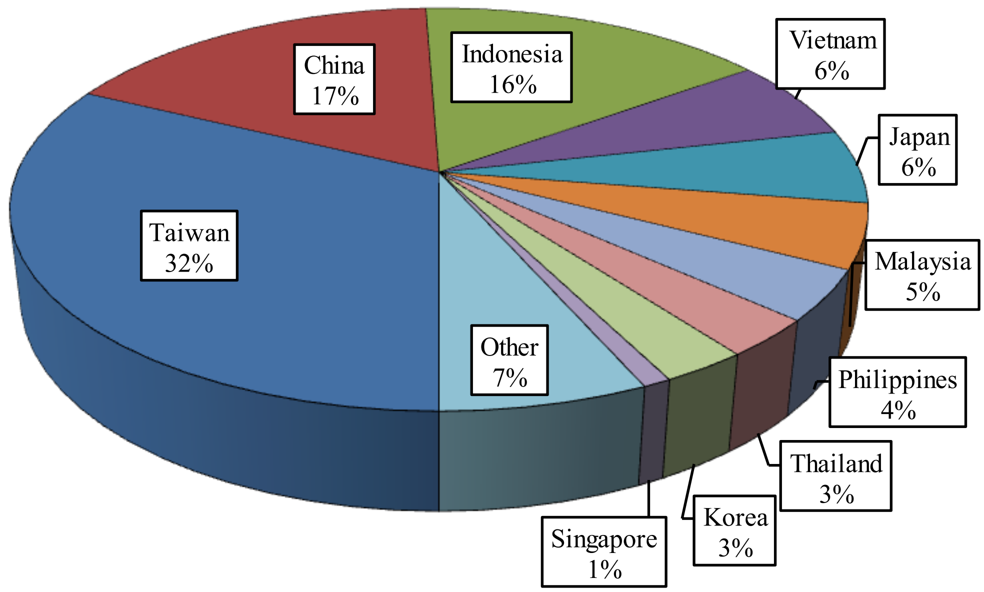
Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Feb 1/28	58,000	48.00
U.S. Gulf	China	Heavy Grain	Dec 22/31	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 20/30	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 1/5	55,000	63.00
U.S. Gulf	China	Heavy Grain	Nov 20/30	55,000	56.00
U.S. Gulf	China	Heavy Grain	Nov 15/24	55,000	57.00
U.S. Gulf	China	Heavy Grain	Nov 15/24	55,000	56.75
U.S. Gulf	Nicaragua	Corn/Soybean meal	Feb 7/17	24,000	56.42
U.S. Gulf	Pakistan[1]	Wheat	Nov 26/Dec 6	8,100	77.99
U.S. Gulf	Turkey	Heavy Grain	Jan 25/30	2,500	46.00
PNW	Pakistan	Heavy Grain	Jan 15/25	42,000	46.00
PNW	Rotterdam	Heavy Grain	Feb 15/25	55,000	26.00
River Plate	Algeria	Corn	Jan 22/27	30,000	43.00
River Plate	Algeria	Corn	Dec 5/10	25,000	36.00
River Plate	Algeria	Soybeanmeal	Nov 28/30	25,000	39.50
River Plate	Algeria	Corn	Nov 16/25	25,000	31.00
River Plate	Italy	Heavy Grain	Nov 1/2	28,000	41.50
Romania	Egypt Med	Wheat	Nov 1/10	25,000	17.25
Uruguay	Algeria	Wheat	Feb 5/10	25,000	46.00

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.

In 2009, containers were used to transport 5 percent of total waterborne grain exports, and 6 percent of U.S. grain exports to Asia.

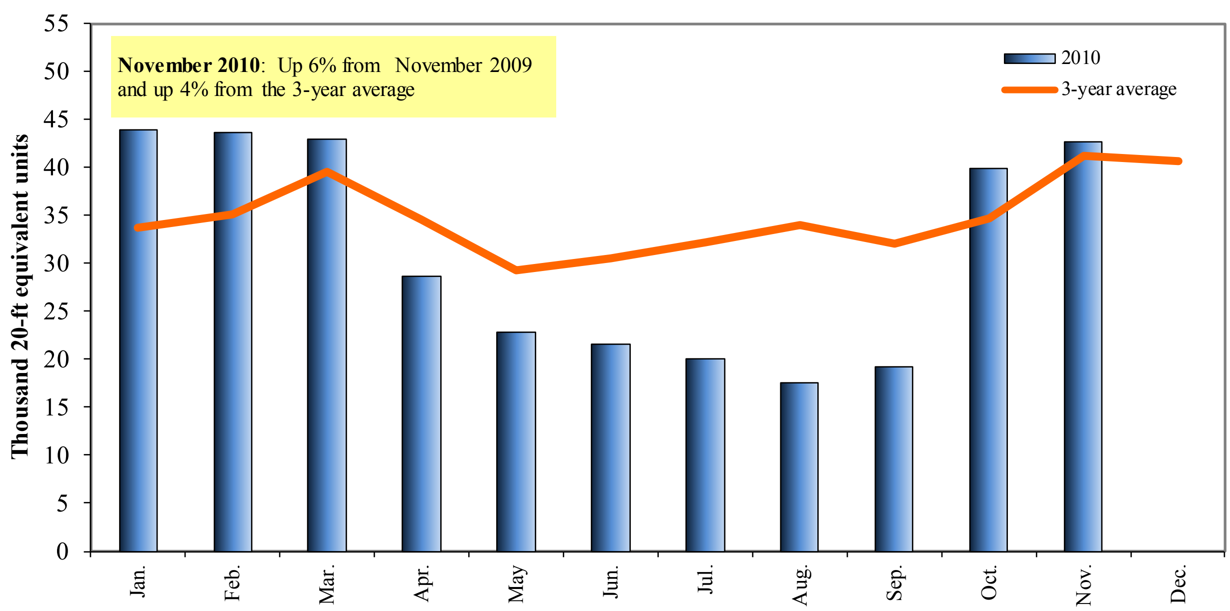
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, November 2010



Source: Port Import Export Reporting Service (PIERS)

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: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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**.

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