USDA Agricultural Marketing Service

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

Contact Us

February 23, 2012

Contents

The next release is Mar. 1, 2012

WEEKLY HIGHLIGHTS

Hearing Scheduled on BNSF Acquisition Premium
On February 16, the Surface Transportation Board (STB) announced it will hold a public hearing on March 22 to examine the $8.1 billion acquisition premium Berkshire Hathaway paid in the purchase of the Burlington Northern Santa Fe Railway (BNSF). The hearing is in response to a petition by shippers urging the acquisition premium not be included in the STB's regulatory calculations for rail costs and revenue for BNSF. They are concerned that including the acquisition premium could affect rural electricity rates and the ability of captive shippers to appeal excessive rates. USDA filed comments with the STB on October 28, 2011 in support of the petition.

Corn and Wheat Inspections to Asia Boost Total Exports
For the week ending February 16, **total inspections** of corn and wheat for export reached .885 and .604 million metric tons (mmt), up 19 percent from the past week for corn and 14 percent for wheat. Corn and wheat shipments to Asia jumped 49 and 29 percent from the past week, pushing total grain inspections up 6 percent, to 2.48 mmt. Inspections of corn and wheat were also 10 and 8 percent above the four week running averages; and 39 and 8 percent above the three year averages. Pacific Northwest (PNW) corn inspections increased 17 percent from the previous week, and Mississippi Gulf corn inspections increased 27 percent for the same period. Wheat inspections increased 20 percent in the PNW and 39 percent in the Texas Gulf. Total soybean inspections (.988 mmt) however, receded 7 percent from the past week and dropped 11 percent below the three year average.

Ocean Freight Rates Continue to be Moderate
Ocean rates for shipping bulk grain remained relatively low as vessel owners and operators are faced with an outlook for 2012 of excess vessel supply and the value of the U.S. dollar strengthening. During the week ending February 17, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $50 per mt, unchanged from the previous week, but 11 percent lower than last year and 25 percent less than the 4-year average. The cost of shipping from the Pacific Northwest to Japan was $29 per mt—same as the previous week, but 12 percent less than last year and 23 percent below the 4-year average. With the strengthening value of the dollar against some foreign currencies, such as the Japanese yen, low or moderate ocean rates could maintain the competitiveness of the U.S. ocean-going grain exports by moderating or keeping the landed costs low.

Corps FY 2013 Budget Proposed 5 Percent Lower
The President's Budget for Fiscal Year 2013 includes $4.7 billion in gross discretionary funding for the Civil Works program of the U.S. Army Corps of Engineers, a 5.4 percent decrease from the FY 2012 enacted level. The Obama Administration has proposed legislation to reform the laws governing the Inland Waterways Trust Fund, including increasing the revenue paid by commercial navigation users sufficiently to meet their share of the costs of activities financed from this fund. If enacted, this proposal would provide an additional source of financing for major new investments in the inland waterways to support economic growth. In its proposal the Administration prioritizes funding for the operation and maintenance of key infrastructure, including navigation channels that serve our largest coastal ports and the inland waterways with the most commercial use (such as the Mississippi and Ohio Rivers and the Illinois Waterway). The Budget focuses on improving the reliability and operation of existing infrastructure rather than starting new projects that require additional Federal dollars and resources.

Snapshots by Sector

Rail
U.S. railroads originated 21,338 **carloads of grain** during the week ending February 11, up 7 percent from last week, down 2 percent from last year, and 4 percent lower than the 3-year average.

During the week ending February 16, average March non-shuttle **secondary railcar bids/offers per car** were $6.50 above tariff, up $9 from last week but $144 lower than last year. Average shuttle rates were $235.50 below tariff, up $39.50 from last week but $221 lower than last year.

Ocean
During the week ending February 16, 36 **ocean-going grain vessels** were loaded in the Gulf, down 31 percent from last year. Forty-two vessels are expected to be loaded within the next 10 days, 44 percent less than the same period last year.

Barge
During the week ending February 18, **barge grain movements** totaled 681,126 tons, 16 percent lower than the previous week and 0.5 percent lower than the same period last year.

During the week ending February 18, 426 grain barges **moved down river**, down 16 percent from last week; 601 grain barges were **unloaded in New Orleans**, down 15.7 percent from the previous week.

Containerized Grain Exports
Containerized grain exports to Asia in November totaled nearly 51,000 20-foot equivalent units—19 percent higher than the previous year, 33 percent higher than the 3-year average, and 8.4 percent higher than October movements.

Fuel
During the week ending February 20, U.S. average **diesel fuel prices** increased 2 cents to $3.96 per gallon—0.4 percent higher than the previous week and up 11 percent from the same week last year.

Feature Article/Calendar

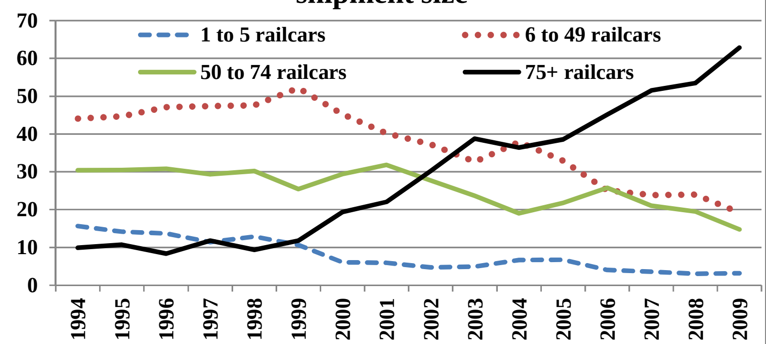
Soybean Shipments by Rail Increase

Although U.S. soybean production increased 34 percent from 1994 to 2009, soybean tonnages shipped by railroads have increased 93 percent. Rail has gained significant market share of soybean transportation, mainly on soybean exports. U.S. soybean production has increased in response to strong world demand for meat, milk, and eggs, which use soybean meal as a high-protein livestock feed.

In response to increased soybean exports by rail, soybean tonnages hauled in shuttle-size shipments (more than 75 railcars) increased 1,127 percent, from 1.5 million tons in 1994 to 18.3 million tons in 2009, reflecting the suitability and lower costs of shuttle-size shipments. Over the same time period, soybean tonnages hauled by 1 to 5 railcar shipments decreased 61 percent, 6 to 49 railcar shipments decreased 16 percent, and 50 to 74 railcar shipments decreased 7 percent. Smaller shipment sizes and shorter lengths of haul are most susceptible to truck competition and therefore are more likely to be for the domestic market, which has increasingly favored truck competition for soybeans (Transportation of U.S. Grains: A Modal Share Analysis).

The percentage of soybeans moved by shuttle-size shipments has increased from 10 percent of total rail soybean tonnage in 1994 to 63 percent in 2009 (Fig. 1). Soybean shipments of 1 to 5 railcars decreased from 16 percent of total rail tonnage in 1994 to only 3 percent of the total in 2009. Likewise, soybean shipments of 6 to 49 railcars decreased from 44 percent of the total tonnage in 1994 to 19 percent in 2009. Soybean shipments of 50 to 74 railcars decreased from 30 percent of total rail tonnage in 1994 to 15 percent in 2009.

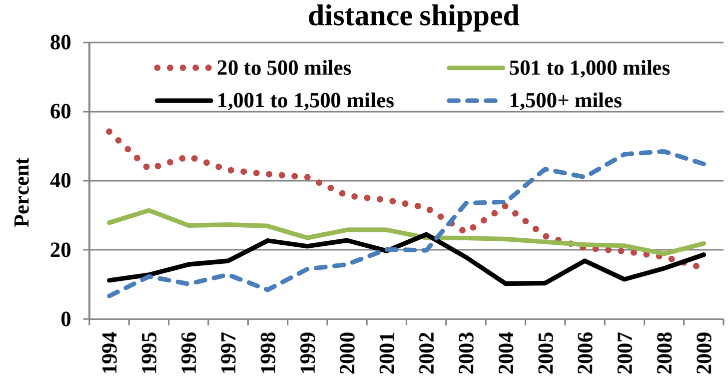
Figure 1: Percentage of soybeans by rail shipment size



Source: USDA analysis of STB Waybill Samples

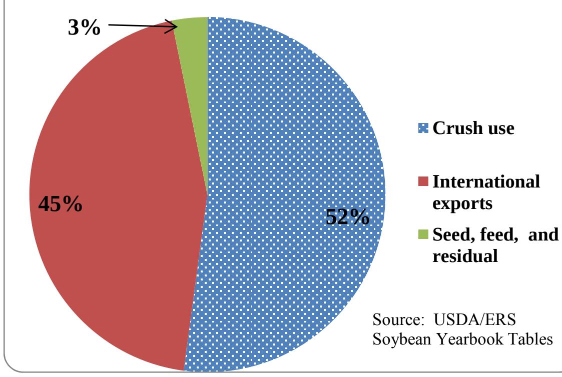
The distances that soybeans are shipped have increased dramatically, partially in response to a 79 percent increase in exports since 1994. A lot of these shipments are to U.S. ports serving Asian destinations and overland and ocean shipments to Mexico. The average length of haul for soybeans has increased from 596 miles in 1994 to 1,331 miles in 2009, an increase of 123 percent (AAR, The Rail Transportation of Grain). Soybean rail tonnages hauled more than 1,500 miles increased from 7 percent of total rail soybean tonnage (1 million tons) in 1994 to 45 percent (13 million tons) in 2009, a tonnage increase of 1,190

Figure 2: Railroad soybean movements by distance shipped



Source: USDA analysis of STB Waybill Samples percent (Fig. 2). From 1994 to 2009, the percent of soybean rail tonnages hauled 1,001 to 1,500 miles increased from 11 percent of total rail tonnage (1.7 million tons) to 19 percent (5.4 million tons), a tonnage increase of 221 percent. The percent of soybean rail tonnages hauled 501 to 1,000 miles decreased from 28 percent of total tonnage (4.2 million tons) to 22 percent (6.4 million tons), but had a 51 percent increase in rail tonnage. Soybean rail tonnages hauled 20 to 500 miles decreased from 54 percent of the total rail tonnage (8.2 million tons) to only 15 percent (4.3 million tons), a decrease in rail tonnage of 48 percent.

Figure 3: Soybean Use, MY2009



Source: USDA/ERS Soybean Yearbook Tables

Soybean exports have increased from 25.2 million short tons in 1994 to 45.0 tons in 2009, an increase of 79 percent. Consequently, export usage increased from 35 percent of total soybean use in 2004 to 45 percent in 2009 (Fig. 3). Crush use of soybeans decreased from 59 percent of total use in 2004 to 52 percent in 2009.

In conclusion, increased U.S. production of soybeans since 1994 has been exported, which has increased the amount shipped by rail. As such, greater shipment sizes and longer lengths of haul have characterized the changes occurring in the transportation of soybeans by rail. Marvin.Prater@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
02/22/12	266	102	225	224	206
02/15/12	265	101	235	224	206

[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	2/17/2012	2/10/2012
Corn	IL--Gulf	-0.74	-0.74
Corn	NE--Gulf	-0.90	-0.91
Soybean	IA--Gulf	-1.27	-1.27
HRW	KS--Gulf	-1.44	-1.39
HRS	ND--Portland	-1.84	-1.82

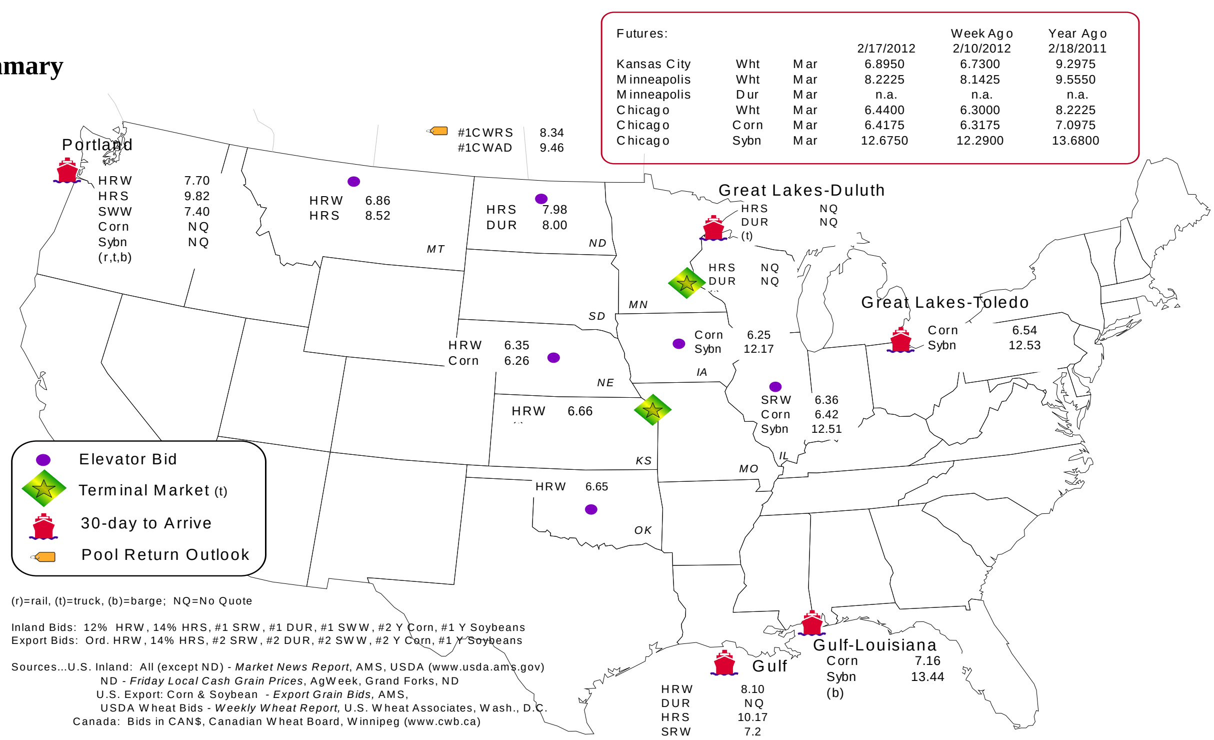
Note: nq = no quote

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
2/15/2012[p]	630	524	928	3,287	845	6,214
2/08/2011[r]	144	706	1,183	3,625	402	6,060
2012 YTD	1,421	5,093	6,856	20,348	3,481	37,199
2011 YTD	3,793	11,383	5,077	22,651	8,256	51,160
2012 YTD as % of 2011 YTD	37	45	135	90	42	73
Last 4 weeks as % of 2011[2]	31	32	166	68	85	63
Last 4 weeks as % of 4-year avg.[2]	28	36	154	71	63	63
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.

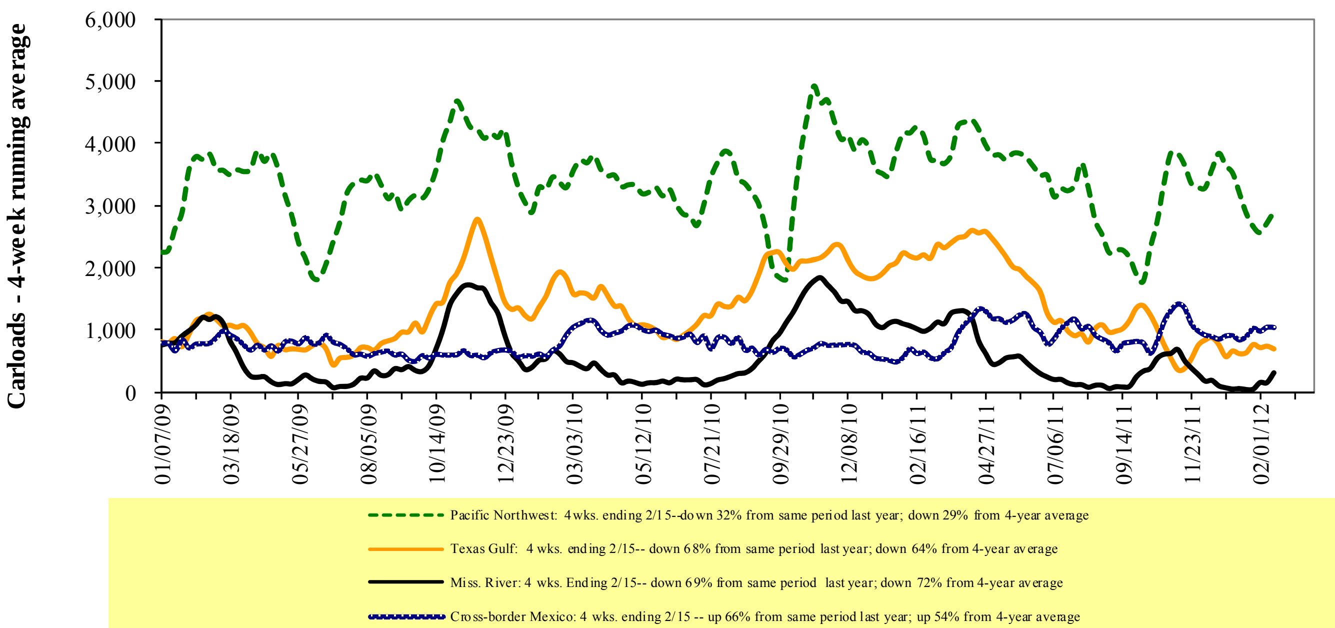
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

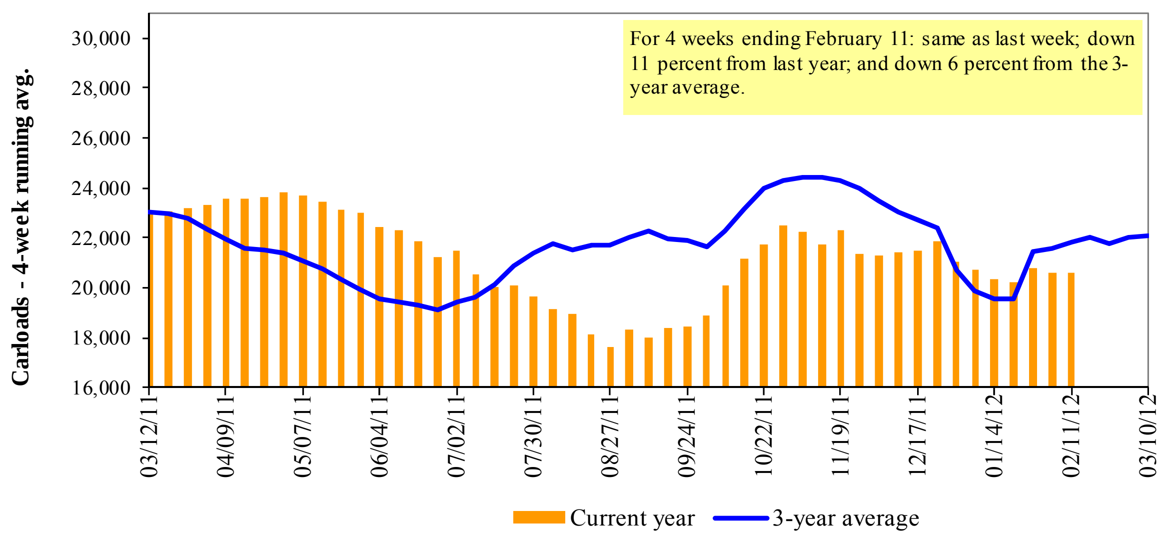
	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
02/11/12	1,985	3,181	11,027	618	4,527	21,338	4,003	5,370
This week last year	2,398	2,601	10,657	562	5,643	21,861	4,064	4,283
2012 YTD	12,877	17,856	60,145	3,252	30,421	124,551	22,399	30,886
2011 YTD	13,681	17,773	70,089	3,684	36,706	141,933	22,450	27,019
2012 YTD as % of 2011 YTD	94	100	86	88	83	88	100	114
Last 4 weeks as % of 2011[1]	99	107	85	87	86	89	101	120
Last 4 weeks as % of 3-yr avg.[1]	95	107	92	73	92	94	91	106
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

[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							
2/16/2012	Mar-12	Mar-11	Apr-12	Apr-11	May-12	May-11	Jun-12	Jun-11
BNSF[3]								
COT grain units	0	no offer	0	13	no bids	5	0	8
COT grain single-car[5]	0 . . 1	no offer	0	7 . . 36	no bids	no bids	no offer	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.

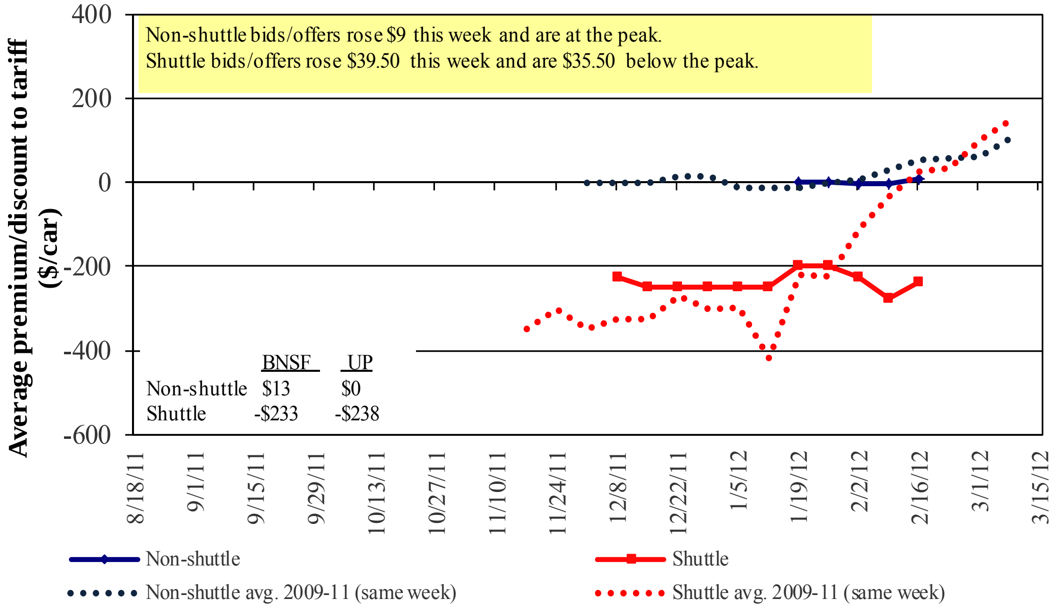
[5]Range is shown because average is not available. Not available = n/a.

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 March 2012, Secondary Market

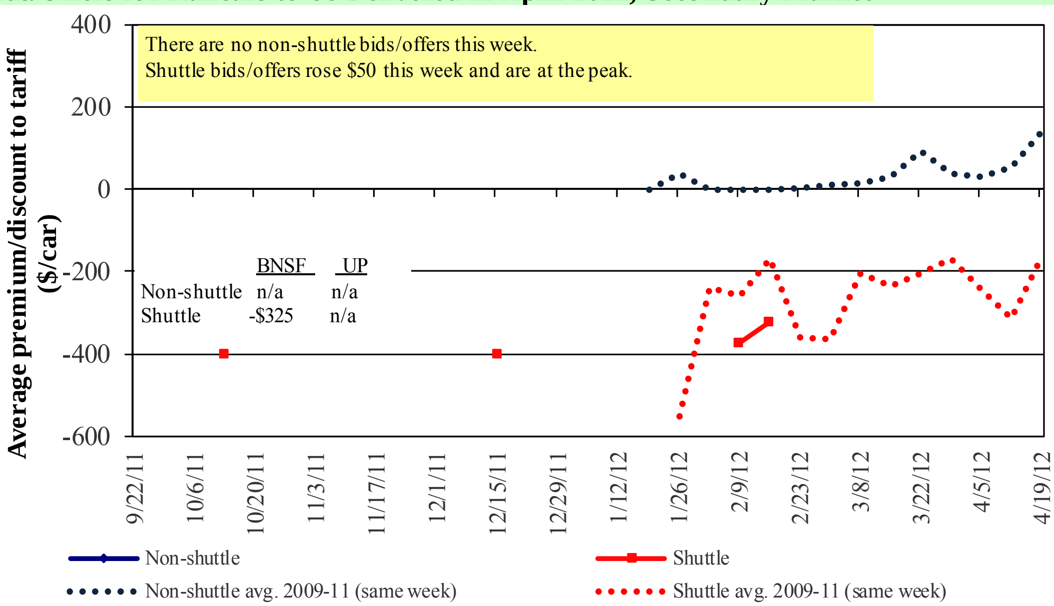


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

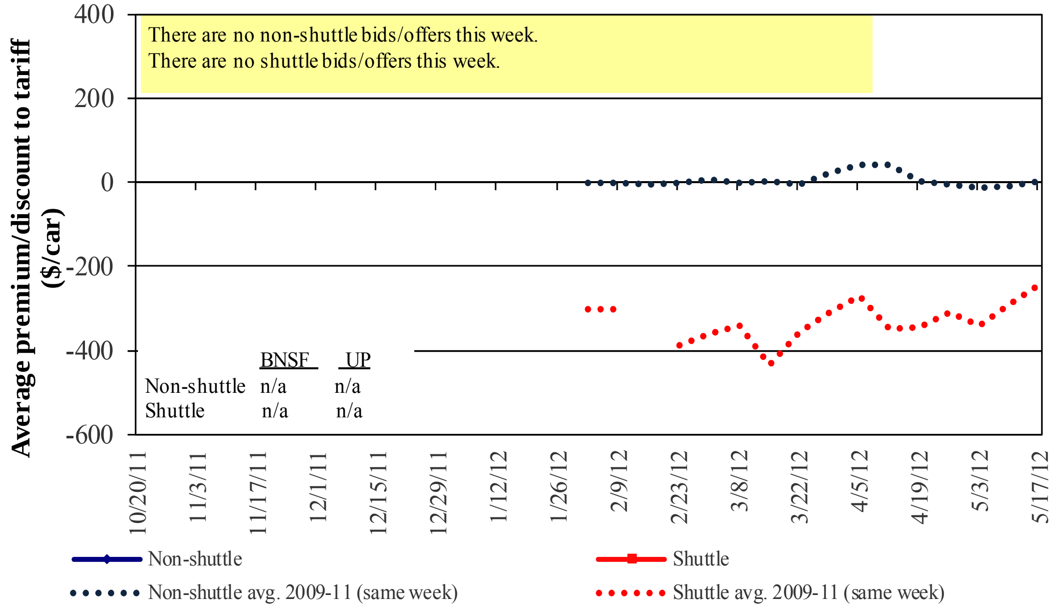


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in May 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					
2/16/2012	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12
Non-shuttle						
BNSF-GF	13	n/a	n/a	n/a	n/a	n/a
Change from last week	18	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(275)	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 2010	(13)	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(233)	(325)	n/a	n/a	n/a	n/a
Change from last week	67	50	n/a	n/a	n/a	n/a
Change from same week 2010	(471)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(238)	n/a	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	29	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: 2/9/2012	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	$182	$31.52	$0.86	6
	Grand Forks, ND	Duluth-Superior, MN	$3,260	$104	$33.41	$0.91	17
	Wichita, KS	Los Angeles, CA	$5,895	$536	$63.86	$1.74	7
	Wichita, KS	New Orleans, LA	$3,492	$320	$37.86	$1.03	6
	Sioux Falls, SD	Galveston-Houston, TX	$5,573	$440	$59.71	$1.63	4
	Northwest KS	Galveston-Houston, TX	$3,760	$351	$40.82	$1.11	6
	Amarillo, TX	Los Angeles, CA	$3,959	$489	$44.17	$1.20	7
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,038	$362	$33.77	$0.92	12
	Toledo, OH	Raleigh, NC	$4,382	$407	$47.56	$1.29	19
	Des Moines, IA	Davenport, IA	$1,934	$77	$19.97	$0.54	6
	Indianapolis, IN	Atlanta, GA	$3,821	$306	$40.98	$1.12	21
	Indianapolis, IN	Knoxville, TN	$3,273	$196	$34.45	$0.94	20
	Des Moines, IA	Little Rock, AR	$3,685	$225	$38.83	$1.06	27
	Des Moines, IA	Los Angeles, CA	$5,825	$656	$64.36	$1.75	35
Soybeans	Minneapolis, MN	New Orleans, LA	$3,499	$395	$38.67	$1.05	7
	Toledo, OH	Huntsville, AL	$3,057	$289	$33.23	$0.90	7
	Indianapolis, IN	Raleigh, NC	$4,013	$410	$43.92	$1.20	8
	Indianapolis, IN	Huntsville, AL	$2,749	$196	$29.25	$0.80	7
	Champaign-Urbana, IL	New Orleans, LA	$3,382	$362	$37.18	$1.01	11
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,351	$308	$36.34	$0.99	7
	Wichita, KS	Galveston-Houston, TX	$3,247	$240	$34.63	$0.94	5
	Chicago, IL	Albany, NY	$3,645	$382	$39.99	$1.09	7
	Grand Forks, ND	Portland, OR	$4,832	$532	$53.27	$1.45	8
	Grand Forks, ND	Galveston-Houston, TX	$5,854	$554	$63.64	$1.73	8
	Northwest KS	Portland, OR	$4,727	$576	$52.66	$1.43	6
Corn	Minneapolis, MN	Portland, OR	$4,800	$648	$54.10	$1.47	8
	Sioux Falls, SD	Tacoma, WA	$4,760	$593	$53.16	$1.45	8
	Champaign-Urbana, IL	New Orleans, LA	$2,857	$362	$31.97	$0.87	11
	Lincoln, NE	Galveston-Houston, TX	$3,310	$346	$36.30	$0.99	8
	Des Moines, IA	Amarillo, TX	$3,430	$283	$36.88	$1.00	6
	Minneapolis, MN	Tacoma, WA	$4,800	$643	$54.05	$1.47	8
	Council Bluffs, IA	Stockton, CA	$4,200	$665	$48.31	$1.31	10
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,040	$593	$55.94	$1.52	9
	Minneapolis, MN	Portland, OR	$5,030	$648	$56.38	$1.53	9
	Fargo, ND	Tacoma, WA	$4,930	$527	$54.20	$1.47	9
	Council Bluffs, IA	New Orleans, LA	$3,710	$418	$40.99	$1.12	9
	Toledo, OH	Huntsville, AL	$2,672	$289	$29.40	$0.80	8
	Grand Island, NE	Portland, OR	$5,115	$589	$56.65	$1.54	16

[1]A 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.

[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: 2/9/2012				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	$563	$84.85	$2.31	8
	OK	Cuautitlan, EM	$6,747	$589	$74.96	$2.04	7
	KS	Guadalajara, JA	$7,411	$872	$84.63	$2.30	7
	TX	Salinas Victoria, NL	$3,703	$240	$40.29	$1.10	7
Corn	IA	Guadalajara, JA	$7,699	$884	$87.70	$2.23	7
	SD	Penjamo, GJ	$7,776	$736	$86.98	$2.21	11
	NE	Queretaro, QA	$7,048	$759	$79.77	$2.02	13
	SD	Salinas Victoria, NL	$5,650	$560	$63.45	$1.61	11
	MO	Tlalnepantla, EM	$6,263	$740	$71.55	$1.82	15
	SD	Torreon, CU	$6,522	$617	$72.94	$1.85	9
Soybeans	MO	Bojay (Tula), HG	$6,926	$769	$78.62	$2.14	10
	NE	Guadalajara, JA	$7,904	$884	$89.79	$2.44	11
	IA	El Castillo, JA[5]	$8,255	$732	$91.82	$2.50	11
	KS	Torreon, CU	$6,396	$603	$71.51	$1.94	12
Sorghum	OK	Cuautitlan, EM	$5,670	$559	$63.65	$1.62	13
	TX	Guadalajara, JA	$6,653	$479	$72.87	$1.85	10
	NE	Penjamo, GJ	$7,426	$826	$84.32	$2.14	14
	KS	Queretaro, QA	$6,353	$523	$70.25	$1.78	12
	NE	Salinas Victoria, NL	$5,103	$497	$57.22	$1.45	12
	NE	Torreon, CU	$6,068	$640	$68.54	$1.74	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

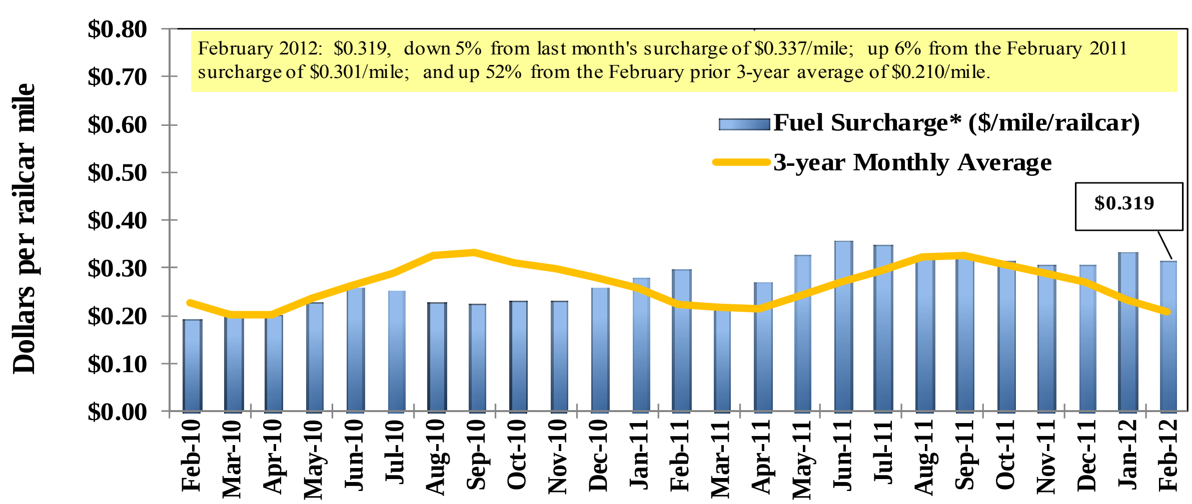
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[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.

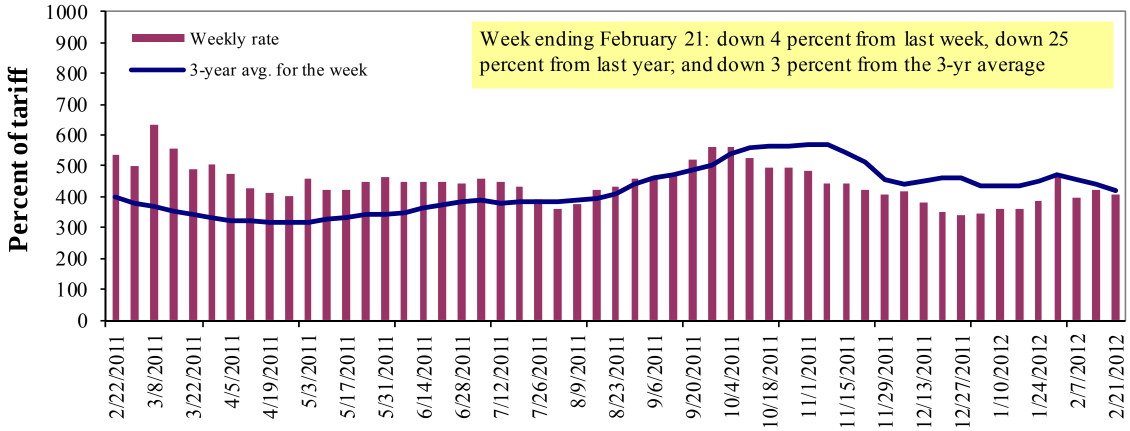
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

** 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]	2/21/2012	--	--	405	300	342	342	258
	2/14/2012	--	--	423	337	367	367	275
$/ton	2/21/2012	--	--	18.79	11.97	16.04	13.82	8.10
	2/14/2012	--	--	19.63	13.45	17.21	14.83	8.64
Current week % change from the same week:								
	Last year	--	--	-25	-32	-26	-26	-36
	3-year avg. [2]	--	--	-3	-7	2	2	-9
Rate[1]	March	--	422	395	287	333	333	253
	May	447	403	387	260	330	335	247

[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

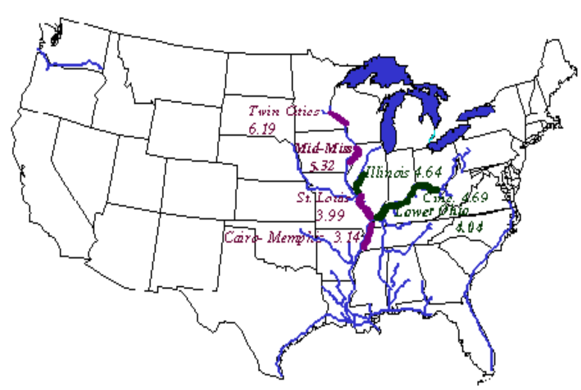
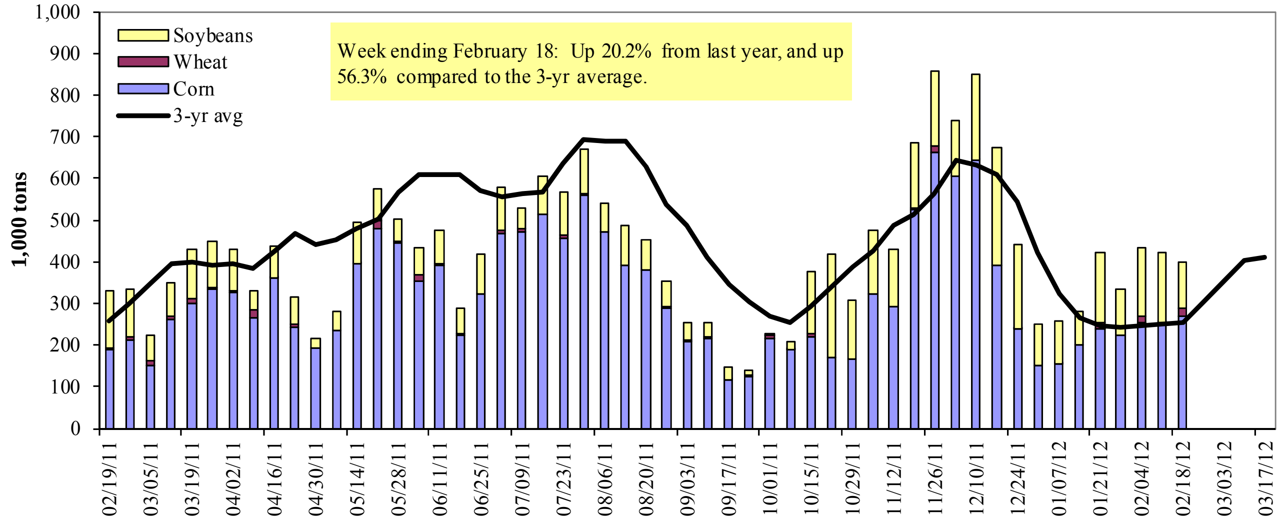


Figure 10

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 2/18/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	2	14	0	0	15
Alton, IL (L26)	278	21	85	9	393
Granite City, IL (L27)	269	18	111	9	407
Illinois River (L8)	232	8	80	9	329
Ohio River (L52)	135	7	104	0	246
Arkansas River (L1)	1	8	18	0	28
Weekly total - 2012	405	34	233	9	681
Weekly total - 2011	370	19	282	13	685
2012 YTD[1]	2,504	184	1,910	32	4,630
2011 YTD	2,054	127	1,675	36	3,892
2012 as % of 2011 YTD	122	145	114	89	119
Last 4 weeks as % of 2011[2]	128	143	127	115	128
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.

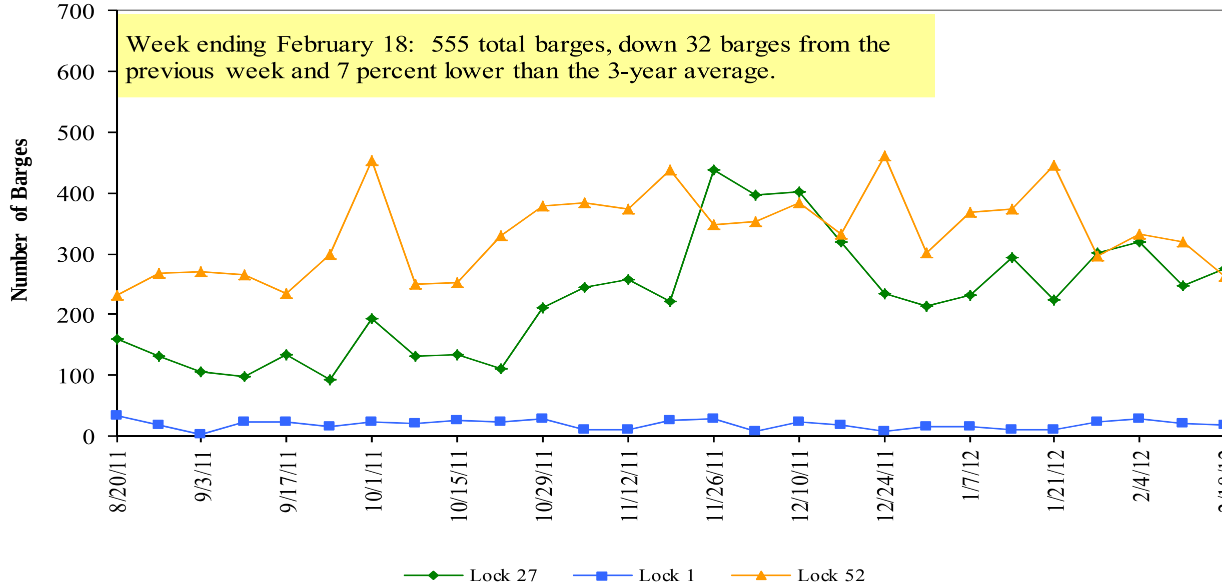
[2] As a percent of same period in 2011.

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

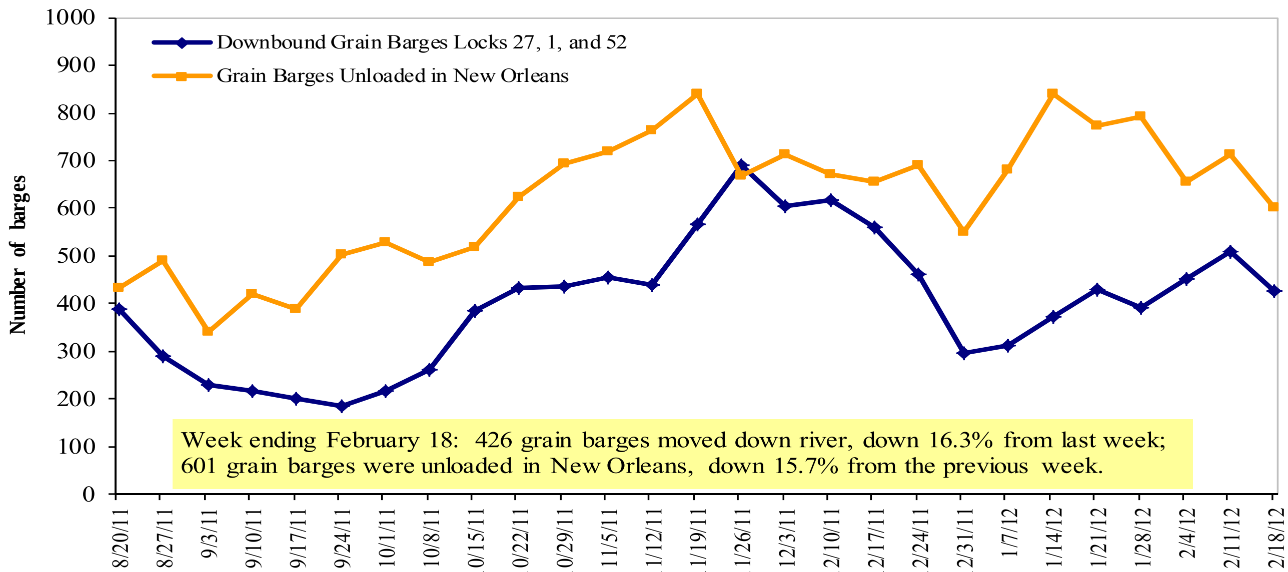
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 2/20/2012 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.053	0.025	0.433
	New England	4.161	0.011	0.392
	Central Atlantic	4.142	0.014	0.408
	Lower Atlantic	3.966	0.036	0.409
II	Midwest[2]	3.848	-0.009	0.331
III	Gulf Coast[3]	3.886	0.026	0.364
IV	Rocky Mountain	3.857	0.016	0.289
V	West Coast	4.164	0.043	0.435
	California	4.258	0.049	0.459
Total	U.S.	3.960	0.017	0.387

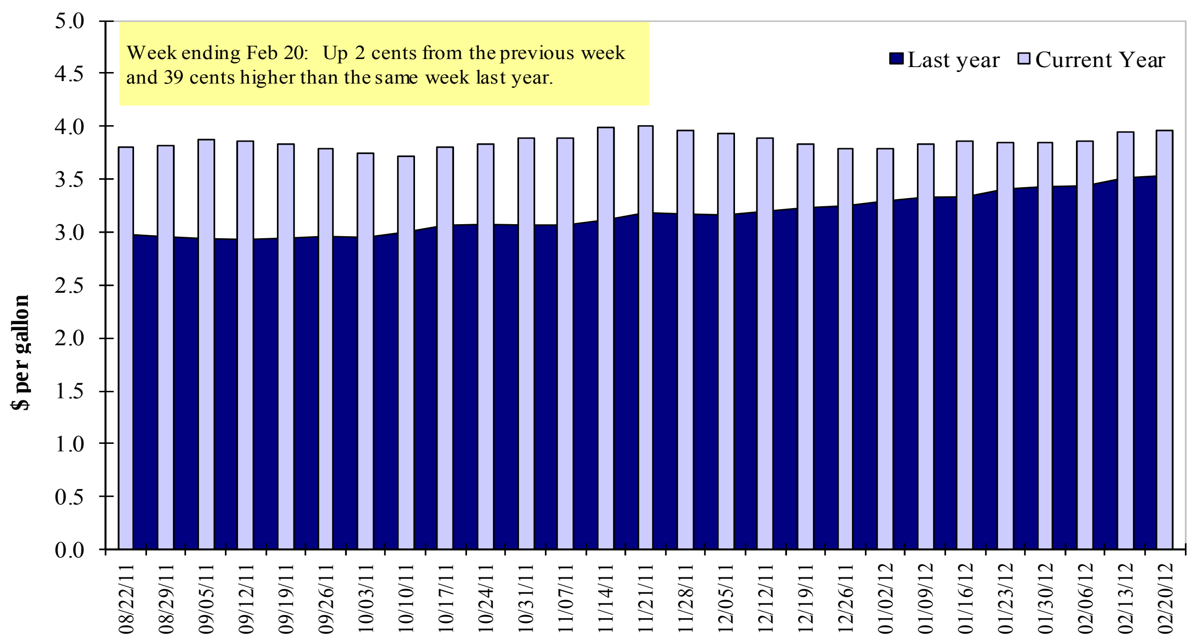
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
2/9/2012	1,323	749	1,045	1,775	25	4,916	10,664	6,027	21,607
This week year ago	3,712	707	2,526	1,312	107	8,365	12,798	10,756	31,919
Cumulative exports-marketing year[2]									
2011/12 YTD	7,104	2,335	4,564	3,490	386	17,878	18,658	21,332	57,868
2010/11 YTD	10,151	1,602	5,585	3,207	735	21,279	18,590	28,146	68,015
YTD 2011/12 as % of 2010/11	70	146	82	109	53	84	100	76	85
Last 4 wks as % of same period 2010/11	37	96	45	121	27	58	83	64	70
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 02/09/12	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 -
Japan	7,536	9,022	(16)	14,279
Mexico	7,610	4,941	54	7,019
Korea	2,914	3,615	(19)	6,104
Egypt	708	2,108	(66)	3,302
Taiwan	1,156	1,635	(29)	2,393
Top 5 importers	**19,924**	**21,321**	**(7)**	**33,096**
Total US corn export sales	**29,323**	**31,387**	**(7)**	**46,600**
% of Projected	68%	67%		
Change from Last Week	1,006	1,030		
Top 5 importers' share of U.S. corn export sales	68%	68%		
USDA forecast, February 2012	**43,180**	**46,600**	**(7)**	
Corn Use for Ethanol USDA forecast, Ethanol February 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 02/09/2012	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[4]	18,721	23,900	(22)	24,445
Mexico	1,847	2,168	(15)	3,215
Japan	1,188	1,630	(27)	1,887
EU-25	608	2,314	(74)	2,607
Indonesia	958	949	1	1,397
Top 5 importers	**23,322**	**30,961**	**(25)**	**33,551**
Total US soybean export sales[5]	**27,359**	**38,902**	**(30)**	**40,860**
% of Projected	79%	95%		
Change from last week	437	214		
Top 5 importers' share of U.S. soybean export sales	85%	80%		
USDA forecast, February 2012	**34,700**	**40,860**	**(15)**	
Soybean Use for Biodiesel USDA forecast, February 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.

[4] Not included - FAS Press Release: 236,000 mt to China (116,000 mt on 2/15, 120,000 mt on 2/10) for 2011/12.

[5] Not included - FAS Press Release: 335,000 mt to Unknown (215,000 mt on 2/14; 120,000 mt on 2/13) for 2011/12.

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

Week Ending 02/09/2012	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	2,620	2,786	(6)	3,233
Japan	3,220	3,123	3	3,148
Mexico	3,071	2,525	22	2,601
Philippines	1,800	1,774	1	1,518
Korea	1,502	1,425	5	1,111
Peru	566	858	(34)	923
Taiwan	708	778	(9)	913
Colombia	424	636	(33)	783
Indonesia	676	555	22	781
Yemen	422	613	(31)	659
Top 10 importers	**15,010**	**15,073**	**(0.4)**	**15,670**
Total US wheat export sales	**22,794**	**29,644**	**(23)**	**35,080**
% of Projected	86%	85%		
Change from last week	420	599		
Top 10 importers' share of U.S. wheat export sales	66%	51%		
USDA forecast, February 2012	**26,540**	**35,080**	**(24)**	

(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 02/16/12	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	375	314	120	1,687	1,834	92	103	130	13,995
Corn	112	96	117	699	964	73	74	75	9,198
Soybeans	301	263	115	1,702	1,466	116	118	108	7,321
Total	**789**	**673**	**117**	**4,089**	**4,264**	**96**	**102**	**108**	**30,513**
Mississippi Gulf									
Wheat	80	118	68	678	645	105	109	127	5,031
Corn	556	439	127	3,462	3,086	112	98	98	26,267
Soybeans	577	675	85	4,422	5,028	88	91	96	19,262
Total	**1,214**	**1,233**	**98**	**8,562**	**8,760**	**98**	**95**	**99**	**50,560**
Texas Gulf									
Wheat	115	83	139	705	1,983	36	34	55	10,837
Corn	33	0	n/a	34	136	25	33	22	1,021
Soybeans	0	0	n/a	0	509	0	0	0	926
Total	**148**	**83**	**178**	**740**	**2,627**	**28**	**28**	**38**	**12,784**
Interior									
Wheat	33	13	247	106	181	58	67	119	1,110
Corn	179	203	88	1,086	635	171	69	158	7,509
Soybeans	82	112	73	622	471	132	100	119	4,273
Total	**294**	**328**	**90**	**1,814**	**1,287**	**141**	**77**	**140**	**12,892**
Great Lakes									
Wheat	0	0	n/a	0	4	0	0	0	1,038
Corn	0	0	n/a	14	0	n/a	n/a	0	178
Soybeans	0	0	n/a	0	0	n/a	n/a	0	382
Total	**0**	**0**	**n/a**	**15**	**4**	**334**	**334**	**648**	**1,598**
Atlantic									
Wheat	0	0	n/a	2	266	1	0	0	686
Corn	5	5	96	36	53	67	46	71	295
Soybeans	26	15	175	231	218	106	186	81	1,042
Total	**31**	**20**	**156**	**268**	**537**	**50**	**67**	**64**	**2,022**
U.S. total from ports[2]									
Wheat	604	529	114	3,178	4,913	65	69	98	32,697
Corn	885	743	119	5,332	4,874	109	100	98	44,466
Soybeans	988	1,066	93	6,979	7,692	91	94	93	33,205
Total	**2,476**	**2,337**	**106**	**15,488**	**17,480**	**89**	**89**	**96**	**110,369**

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

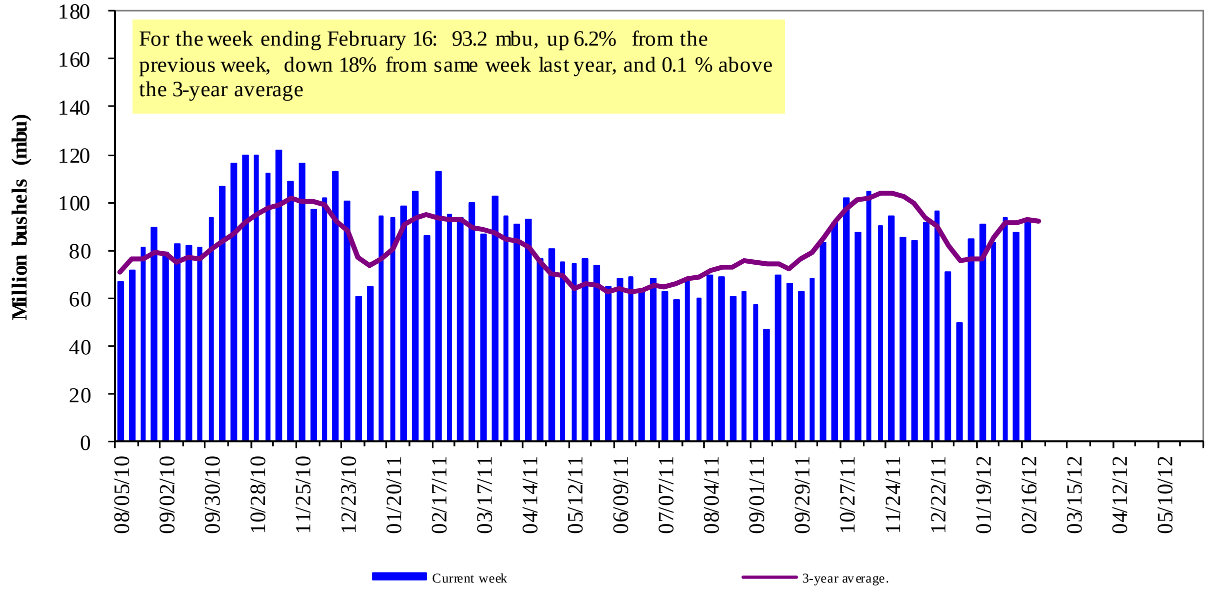
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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 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)

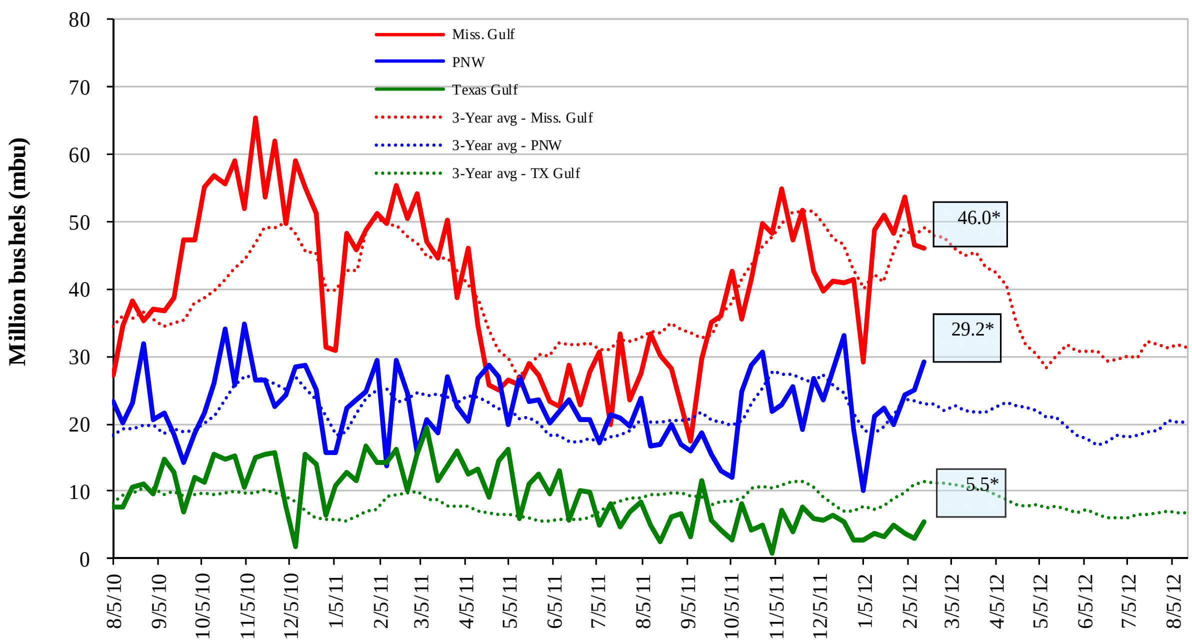


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



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

February 16 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 0.9	up 81	up 4	up 17
Last year (same week)	down 17	down 66	down 28	up 0.8
3-yr avg. (4-wk mov. avg.)	down 6	down 52	down 15	up 24

Ocean Transportation

Table 17

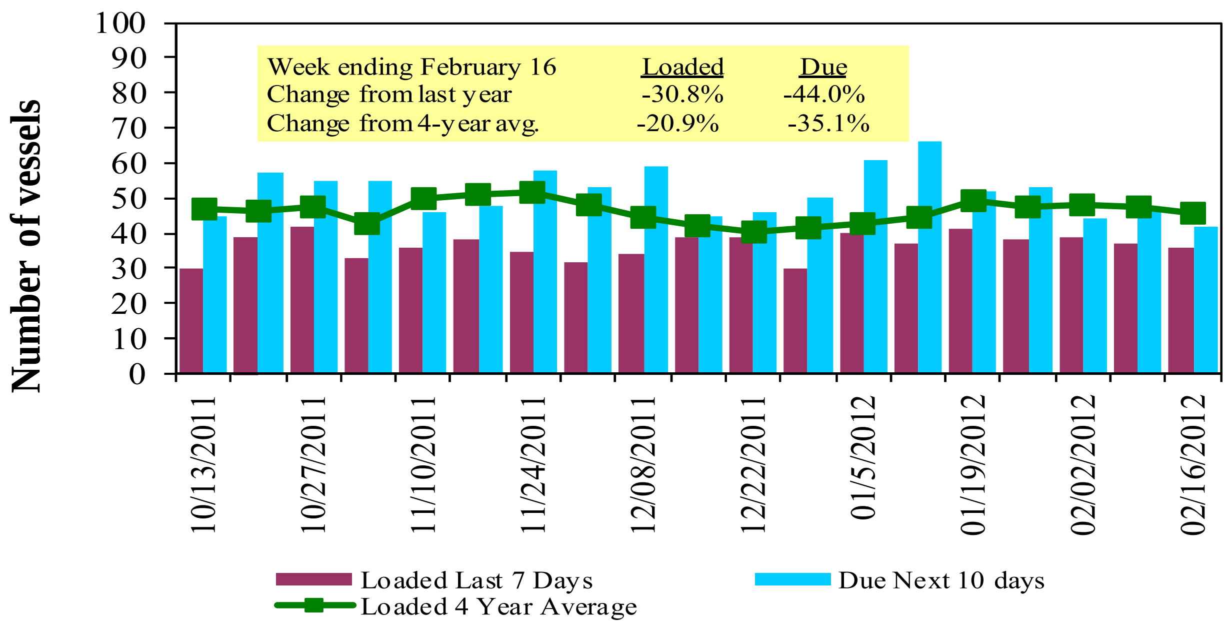
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
2/16/2012	31	36	42	12	n/a
2/9/2012	28	37	47	12	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

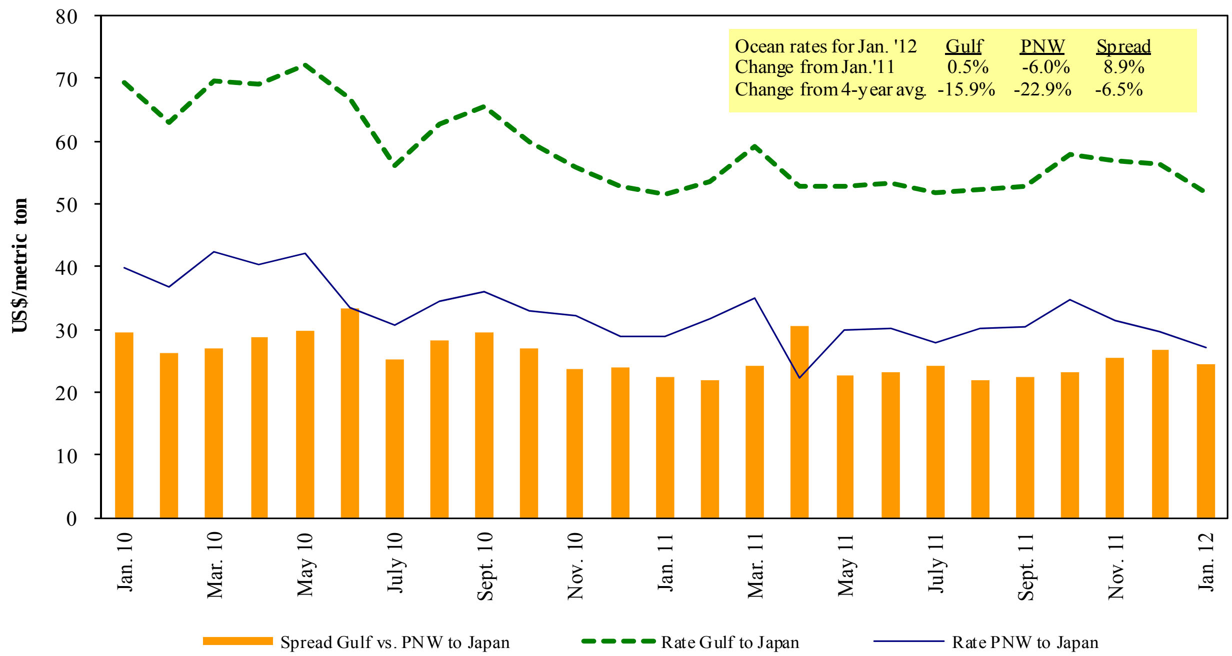
U.S. Gulf[1] Vessel Loading Activity



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 2/18/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Feb 20/29	55,000	46.70
U.S. Gulf	China	Heavy Grain	Feb 1/10	55,000	51.00
U.S. Gulf	China	Heavy Grain	Feb 15/25	55,000	52.50
U.S. Gulf	Korea	Heavy Grain	Mar 1/10	55,000	46.00
U.S. Gulf	Tunisia	Soybeans	Jan 10/15	30,000	37.50
U.S. Gulf	Turkey	Heavy Grain	Feb 25/28	50,000	25.00
U.S. Gulf	Kenya[1]	Wheat	Jan 16/25	11,000	188.00
PNW	China	Grain	Jan 10/20	55,000	26.75
Australia	Vietnam	Grain	Mar 1/10	60,000	19.00
Brazil	Tunisia	Wheat	Feb 14/16	23,750	38.50
Brazil	Taiwan	Heavy Grain	Feb 1/10	65,000	29.50
Brazil	China	Heavy Grain	Mar 1/10	60,000	44.75
Brazil	China	Grain	Mar 1/10	55,000	47.00
River Plate	Algeria	Corn	Feb 21/22	25,000	34.00
River Plate	Algeria	Maize	Feb 5/15	25,000	32.50
River Plate	China	Heavy Grain	Feb 20/25	60,000	45.00
River Plate	South Africa	Wheat	Feb 15/20	25,000	29.00

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

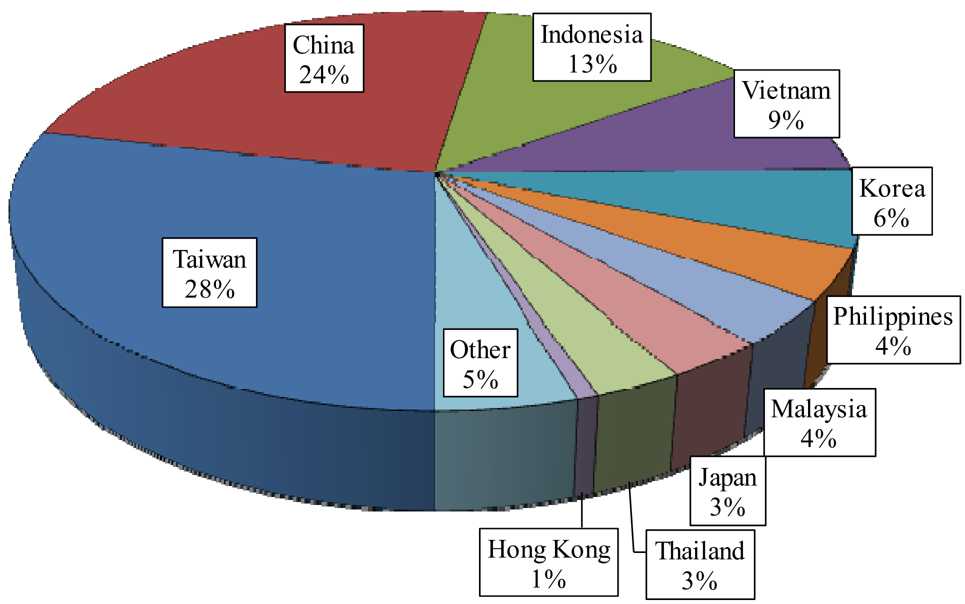
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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, November 2011

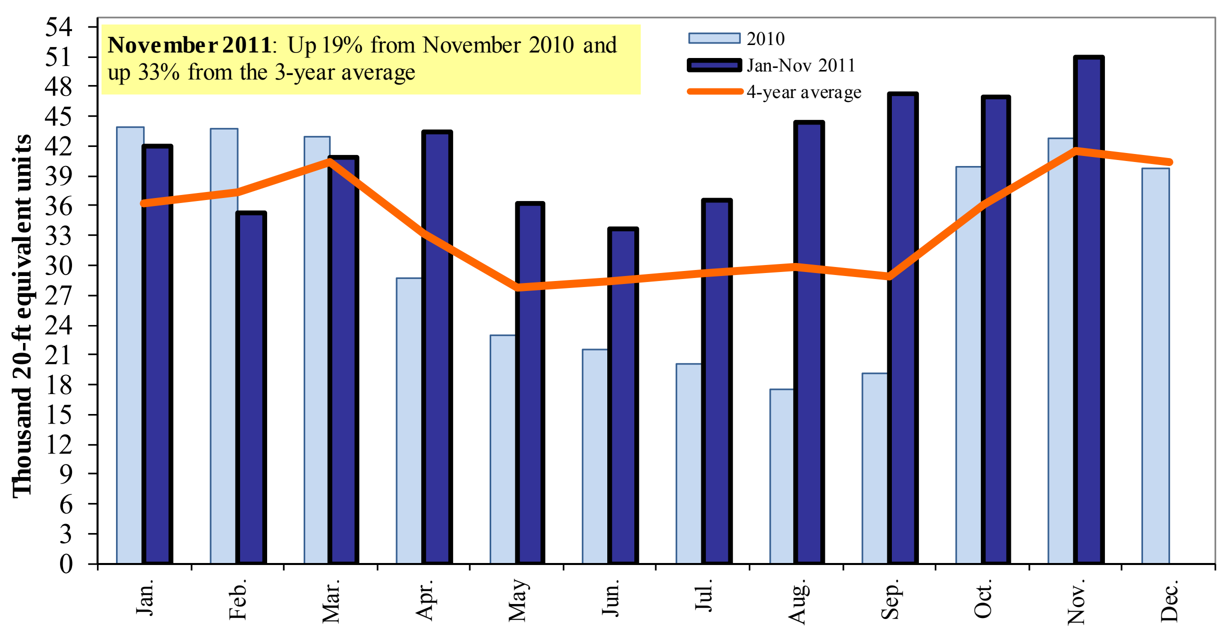


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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)*.