



Agricultural
Marketing
Service



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WEEKLY HIGHLIGHTS

NWS Calls for Spring Floods

The National Weather Service (NWS) reports that the Mississippi River, from Minneapolis-St. Paul, MN to St. Louis, MO, is at risk for moderate to major flooding this spring. Much of the ground in the north-central portion of the country is frozen, water-saturated, and snow covered. The magnitude and extent of the flooding will depend upon the timing of snow melts and additional rain that may add surface water to the area. The NWS estimates that the St. Paul area has a 95 percent chance of exceeding major flood stage. The Upper Mississippi River typically opens for navigation in mid-March. The earliest opening was March 3, 1983, and the latest was May 8, 2001 due to severe flooding on the Mississippi River.

Diesel Fuel Prices Record Jump for the Year

During the week ending February 28, U.S. average **diesel fuel prices** increased 14 cents per gallon to \$3.72—up 4 percent from the previous week and 30 percent higher than the same week last year. Diesel prices have not been this high since October 2008 nor has there been a weekly jump this large since June 2009. In recent weeks, crude oil prices have been under immense pressure due to political unrest in major oil producing countries in northern Africa and the Middle East resulting in the sharp increase in average diesel fuel prices.

Record Agricultural Export Value for 2010

Agricultural exports for calendar year 2010 were a record value of \$115.8 billion, up from \$98.45 billion in 2009 and the prior record of \$114.8 billion in 2008. Soybean export sales were valued at \$18.6 billion, up 13 percent from 2009, corn exports at \$9.8 billion were 12 percent higher, and wheat exports of \$6.7 billion were 25 percent higher than in 2009. Cotton exports increased 75 percent to \$5.9 billion. The trade surplus, however, was \$33.95 billion, down from the surplus of \$34.27 billion in 2008. Every \$1 billion in agricultural exports supports 8,000 American jobs, which means agricultural exports supported nearly 1 million jobs in 2010. Detailed information on U.S. agricultural exports can be obtained at the USDA Foreign Agricultural Service's Global Agricultural Trade System, <http://www.fas.usda.gov/gats/default.aspx>.

Soybean Inspections Remain Strong

For the week ending February 24, total inspections of grain (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.33 million metric tons (mmt), down 17 percent from the previous week and 5 percent below last year this time. Soybean inspections (1.29 mmt), up 17 percent from the past week, remained strong despite the drop in total grain inspections. Over 70 percent of total soybean inspections were shipped to China. Pacific Northwest soybean inspections (.381 mmt) jumped 51 percent from the previous week, and were the highest since December 16, 2010 (437.60 mmt). Wheat and corn inspections dropped 38 and 39 percent, due primarily to lower shipments of wheat to Egypt and the Middle East, and lower corn shipments to Asia.

Snapshots by Sector

Rail

U.S. railroads originated 23,412 **carloads of grain** during the week ending February 19, up 7 percent from last week, 2 percent from last year, and 1 percent higher than the 3-year average.

During the week ending February 24, average March **non-shuttle secondary railcar bids/offers** were \$175 above tariff, up \$24.50 from last week. Average shuttle rates were \$141.50 above tariff, up \$156 from last week.

Barge

During the week ending February 26, **barge grain movements** totaled 578,928 tons, 15.5 percent lower than the previous week and 1 percent lower than the same period last year.

During the week ending February 26, 360 grain barges **moved down river**, down 17 percent from last week; 654 grain barges were **unloaded in New Orleans**, down 10 percent from the previous week.

Ocean

During the week ending February 24, 44 **ocean-going grain vessels** were loaded in the Gulf, down 12 percent from last year. Seventy-one vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up 20 percent from last year.

During the week ending February 25, the **cost of shipping grain** from the Gulf to Japan averaged \$56 per mt, down 1 percent from the previous week. The rate from the Pacific Northwest to Japan was \$33 per mt, unchanged from the previous week.

Containerized Grain Exports

In December, **containerized grain exports** to Asia totaled more than 39,800 20-foot equivalent units—14 percent lower than the previous year, 2 percent lower than the 3-year average, and 7 percent lower than November movements.

Feature Article/Calendar

Mixed Outlook for Building Supplies of U.S. Major Grains and Oilseeds in 2011/12

On February 25, at the annual Agricultural Outlook Forum, USDA released the grains and oilseeds [outlook](#) for the 2011/12 marketing year. This article puts into perspective the potential impact of supply and demand fundamentals on grain transportation demand for the remainder of the 2011 calendar year.

Supply

USDA expects that high prices and extraordinarily favorable net returns will expand the total 2011 planted area for the five major crops to 242.9 million acres—up 2.3 percent from the record set in 2008. (see Table 1)

Corn and soybean acreage is expected to total 170 million acres, 2.7 percent higher than 2010/11. Additional acres in corn, soybeans, and wheat are

expected from reduced use of the hay and pasture land due to decreased cattle numbers, availability of land formerly enrolled in the Conservation Reserve Program, and lower planted acres for minor feedgrains and rice. Production of corn, soybeans, and wheat is expected to reach 19.2 billion bushels—6.5 percent higher than in 2010/11, based on the [Winter Wheat Seedings](#) report, estimated corn and soybean acreage, and trend yields. (see Table 2)

Demand

Exports of the major grains and soybeans are projected to decrease only slightly (2.4 percent) in 2011/12 from 2010/11—a year of record soybean and strong wheat exports. Slow growth in domestic use and lower exports are expected to allow for a slight rebuilding of corn and soybean stocks with the ending stocks-to-use ratio increasing slightly to 6.4 and 4.8 percent, respectively. Wheat ending stocks-to-use ratio is projected to decrease to 28.3 percent due to lower production based on a return to trend yields after a record set last year and continued relatively strong exports. (see Table 2)

Transportation Implications

Many factors could still influence this outlook, including the planting intentions that USDA will release on March 31 and weather during planting, growing, and harvesting seasons. Transportation implications vary by mode. Continued strong wheat exports would have the strongest effect on rail transportation because railroads were used to move an average 67 percent of wheat exports during the 5 years ending in 2007. (see Chapter 2, [USDA/DOT Rural Transportation Study](#)) Demand for barge service will continue the robust pace set this year if corn and soybean exports remain strong—an average of 59 percent of corn and 52 percent of soybean exports was moved by barge during the 5 years ending in 2007. marina.denicoff@ams.usda.gov

Table 1: Planted Acreage, Five Major Crops, 2004-2011¹, million acres

	2004	2005	2006	2007	2008	2009	2010	2011
Wheat	59.6	57.2	57.3	60.5	63.2	59.2	53.6	57.0
Corn	80.9	81.8	78.3	93.5	86.0	86.4	88.2	92.0
Soybeans	75.2	72.0	75.5	64.7	75.7	77.5	77.4	78.0
Rice	3.3	3.4	2.8	2.8	3.0	3.1	3.6	2.9
Cotton	13.7	14.2	15.3	10.8	9.5	9.2	11.0	13.0
5-Crops	232.7	228.6	229.2	232.3	237.4	235.4	233.8	242.9

¹ 2011 - Projection, USDA 2011 Outlook Forum, February 25, 2011.

Table 2: Major Grains and Oilseeds: Production and Use, 2008/09 - Outlook 2011/12, million bushels

	Corn	Soybeans	Wheat	Total	Y/Y
<i>United States 2011/12 (Projected)</i>					
Production	13,730	3,345	2,080	19,155	6.5%
Exports	2,000	1,575	1,150	4,725	-2.4%
Domestic Use	11,560	1,765	1,195	14,520	0.2%
Ending Stocks/Use	6.4%	4.8%	28.3%		
<i>United States 2010/11 (WASDE - February 9, 2011)</i>					
Production	12,447	3,329	2,208	17,984	-3.7%
Exports	1,950	1,590	1,300	4,840	10.8%
Domestic Use	11,550	1,765	1,176	14,491	2.9%
Ending Stocks/Use	5.0%	4.2%	33.0%		
<i>2009/10 (Estimated)</i>					
Production	13,092	3,359	2,218	18,669	6.3%
Exports	1,987	1,501	881	4,369	5.5%
Domestic Use	11,079	1,860	1,137	14,076	6.4%
Ending Stocks/Use	13.1%	4.5%	48.4%		
<i>2008/09</i>					
Production	12,092	2,967	2,499	17,558	
Exports	1,849	1,279	1,015	4,143	
Domestic Use	10,207	1,768	1,260	13,235	
Ending Stocks/Use	13.9%	4.5%	28.9%		

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail ²	Barge	Ocean	
				Gulf	Pacific
03/02/11	249	270	277	250	234
02/23/11	240	246	299	253	234

¹Indicator: 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)

²The 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)

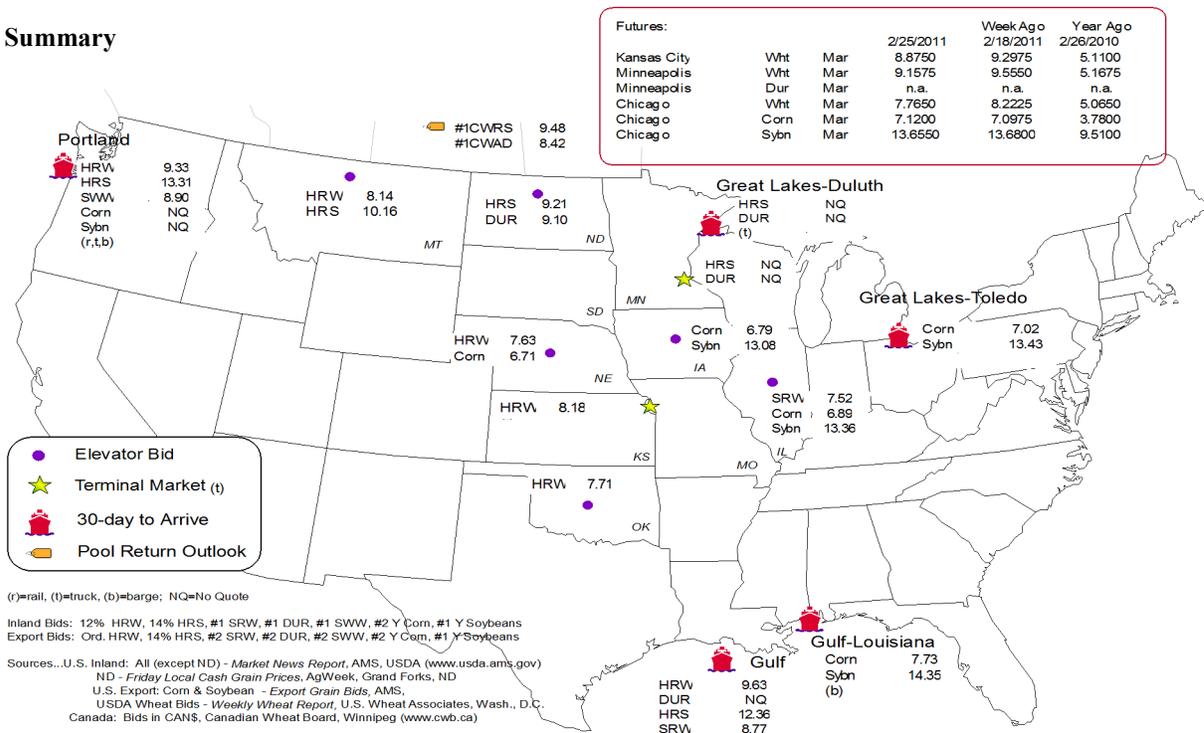
Commodity	Origin--Destination	2/25/2011	2/18/2011
Corn	IL--Gulf	-0.84	-0.83
Corn	NE--Gulf	-1.02	-1.02
Soybean	IA--Gulf	-1.27	-1.24
HRW	KS--Gulf	-1.45	-1.50
HRS	ND--Portland	-4.10	-4.11

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		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
2/23/2011 ^p	1,036	2,054	558	4,176	810	8,634
2/16/2011 ^r	1,208	2,484	285	4,110	496	8,583
2011 YTD	8,468	17,147	4,598	31,940	6,110	68,263
2010YTD	4,023	12,802	6,249	26,316	9,290	58,680
2011 YTD as % of 2010 YTD	210	134	74	121	66	116
Last 4 weeks as % of 2010 ²	199	120	70	125	63	113
Last 4 weeks as % of 4-year avg. ²	86	125	89	98	80	99
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.

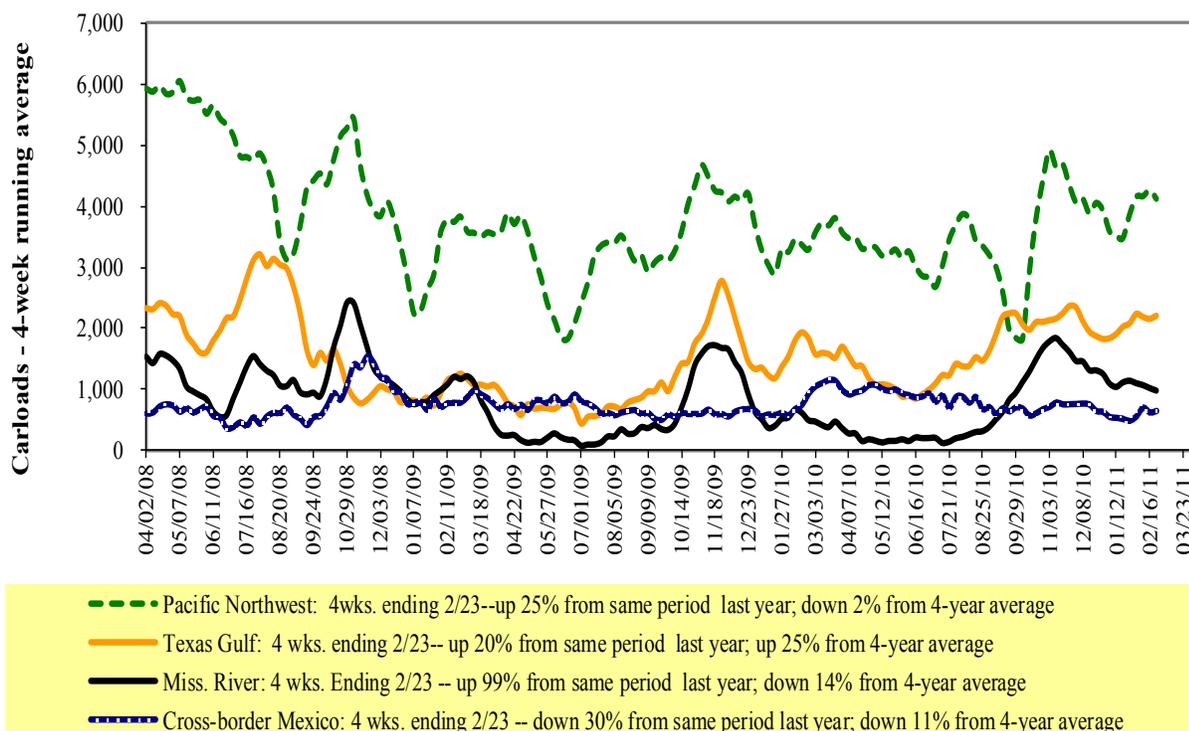
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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

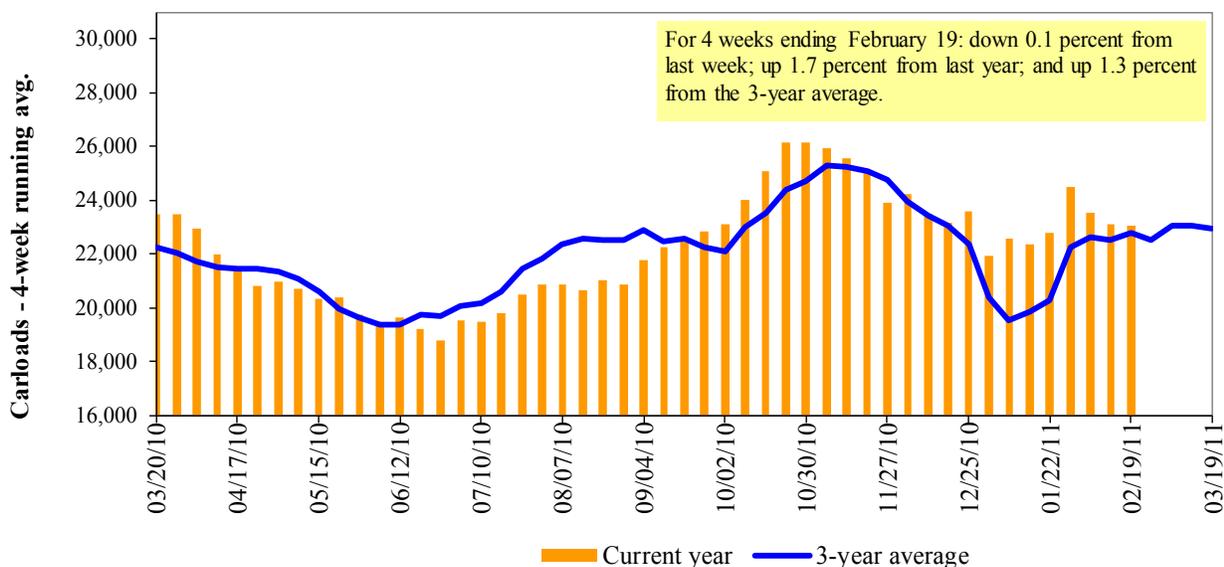
Table 4

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

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
02/19/11	2,039	2,892	11,414	636	6,431	23,412	3,705	5,089
This week last year	2,440	3,111	10,065	806	6,567	22,989	4,529	4,600
2011 YTD	15,720	20,665	81,503	4,320	43,137	165,345	26,155	32,108
2010 YTD	16,394	20,434	75,147	5,462	38,615	156,052	29,112	35,065
2011 YTD as % of 2010 YTD	96	101	108	79	112	106	90	92
Last 4 weeks as % of 2010 ¹	90	98	107	73	103	102	91	101
Last 4 weeks as % of 3-yr avg.	84	98	108	74	105	102	87	95
Total 2010	111,935	159,836	546,901	35,807	295,361	1,149,840	203,038	265,835

¹As a percent of the same period in 2009 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3**Total Weekly U.S. Class I Railroad Grain Car Loadings**

Source: Association of American Railroads

Table 5

Rail Car Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Mar-11	Mar-10	Apr-11	Apr-10	May-11	May-10	Jun-11	Jun-10
2/24/2011								
BNSF ³								
COT grain units	no offer	0	18	no bids	0	no bids	0	no bids
COT grain single-car ⁵	no offer	0 . . 203	no offer	2 . . 25	0 . . 5	0 . . 4	0	0
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

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

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

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

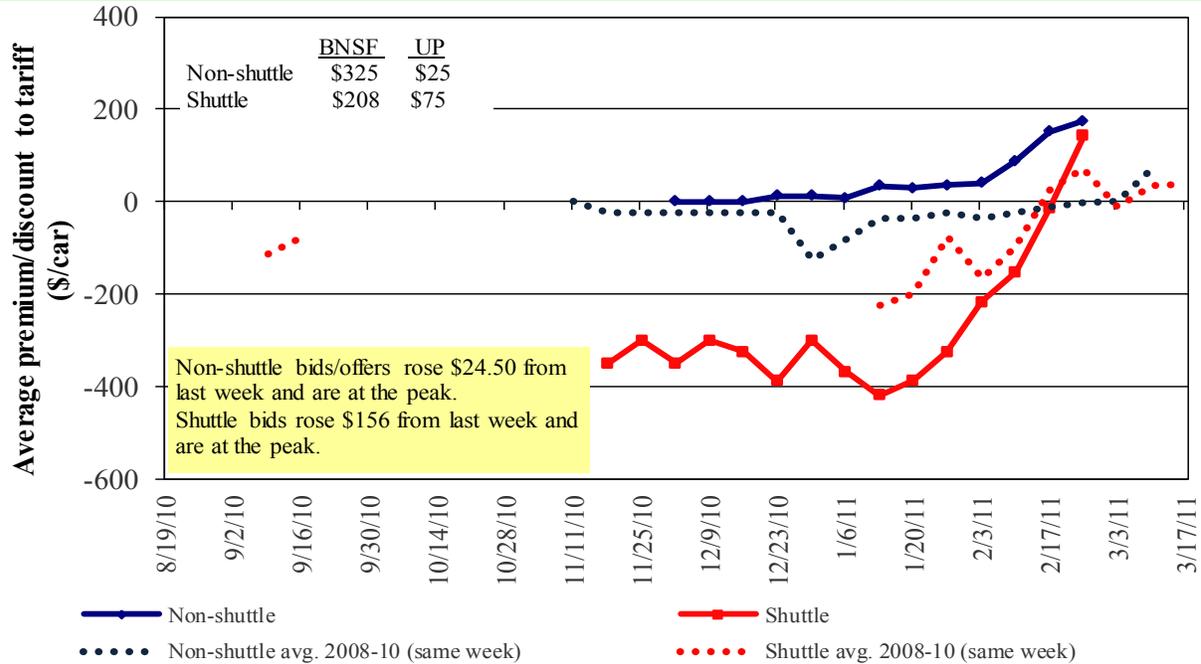
⁵Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

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

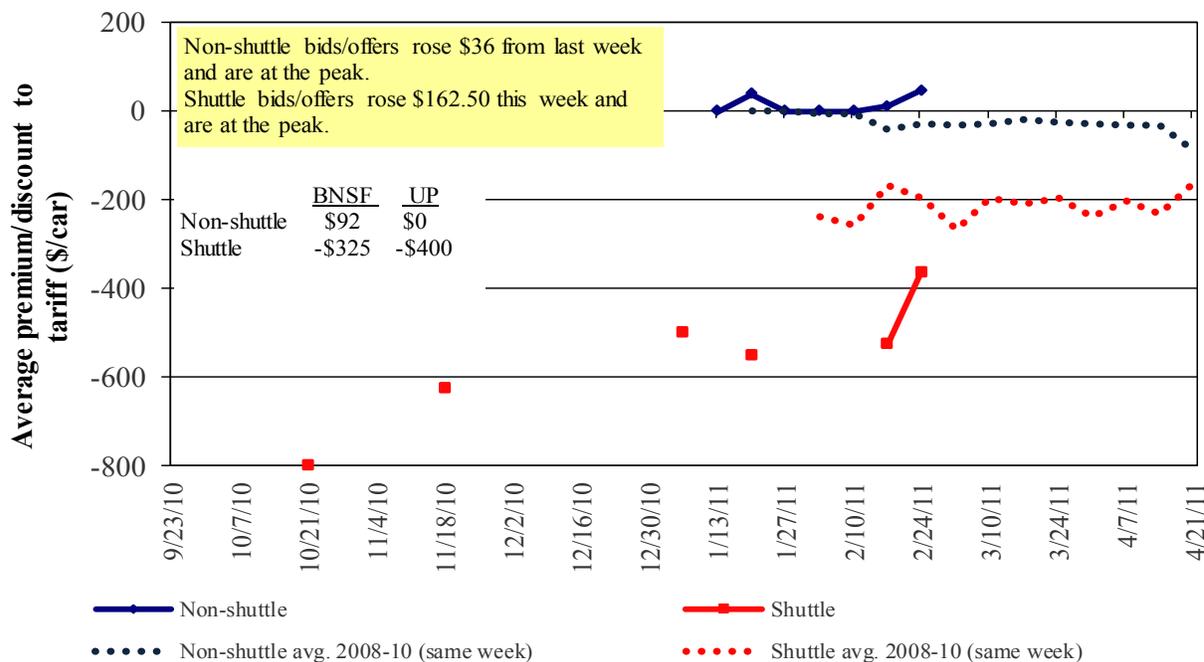


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

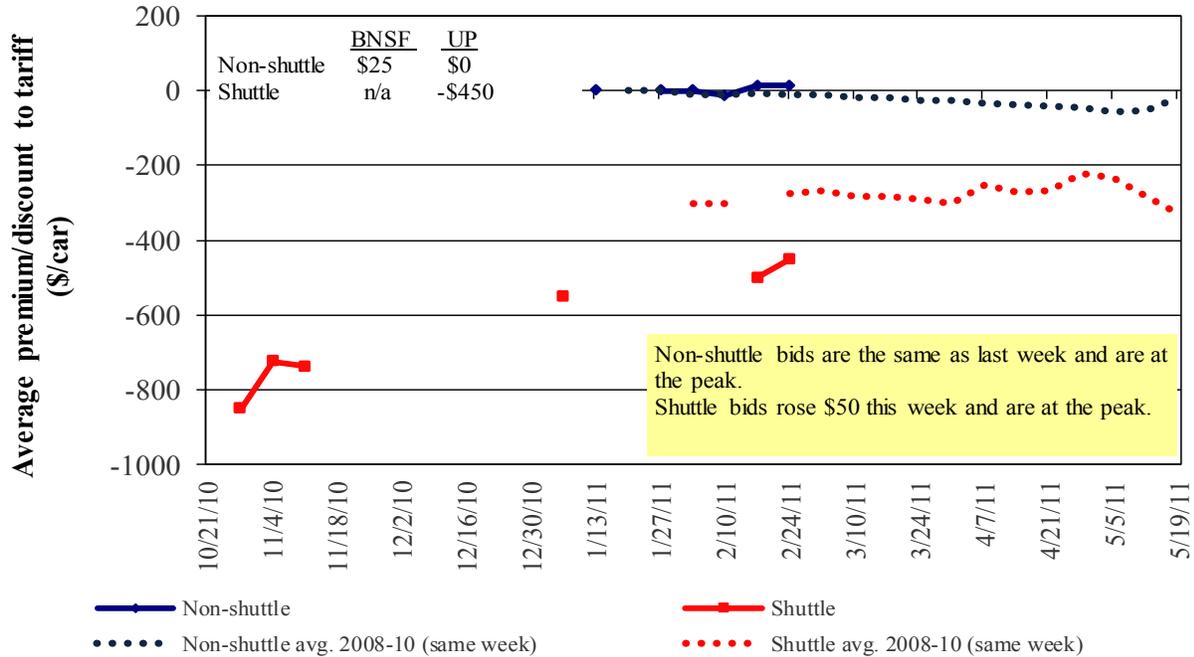


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in May 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	Delivery period					
	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
2/24/2011						
Non-shuttle						
BNSF-GF	325	92	25	n/a	n/a	n/a
Change from last week	37	67	-	n/a	n/a	n/a
Change from same week 2010	313	n/a	n/a	n/a	n/a	n/a
UP-Pool	25	-	-	n/a	n/a	n/a
Change from last week	12	5	-	n/a	n/a	n/a
Change from same week 2010	7	-	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	208	(325)	n/a	n/a	n/a	-350
Change from last week	(30)	n/a	n/a	n/a	n/a	0
Change from same week 2010	118	n/a	n/a	n/a	n/a	n/a
UP-Pool	75	(400)	(450)	(350)	-250	-250
Change from last week	342	125	50	-	0	0
Change from same week 2010	(113)	n/a	n/a	(200)	n/a	n/a

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

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

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:						
3/1/2011	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:	
					metric ton	bushel ²
Unit train						
Wheat	Wichita, KS	St. Louis, MO	\$2,883	\$132	\$29.94	\$0.81
	Grand Forks, ND	Duluth-Superior, MN	\$2,727	\$69	\$27.76	\$0.76
	Wichita, KS	Los Angeles, CA	\$5,232	\$352	\$55.45	\$1.51
	Wichita, KS	New Orleans, LA	\$3,384	\$231	\$35.90	\$0.98
	Sioux Falls, SD	Galveston-Houston, TX	\$5,167	\$289	\$54.18	\$1.47
	Northwest KS	Galveston-Houston, TX	\$3,651	\$254	\$38.77	\$1.06
	Amarillo, TX	Los Angeles, CA	\$3,850	\$353	\$41.74	\$1.14
Corn	Champaign-Urbana, IL	New Orleans, LA	\$2,812	\$262	\$30.52	\$0.83
	Toledo, OH	Raleigh, NC	\$3,760	\$303	\$40.35	\$1.10
	Des Moines, IA	Davenport, IA	\$1,843	\$55	\$18.85	\$0.51
	Indianapolis, IN	Atlanta, GA	\$3,196	\$228	\$34.00	\$0.93
	Indianapolis, IN	Knoxville, TN	\$2,760	\$146	\$28.86	\$0.79
	Des Moines, IA	Little Rock, AR	\$2,938	\$163	\$30.79	\$0.84
	Des Moines, IA	Los Angeles, CA	\$4,372	\$474	\$48.12	\$1.31
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,391	\$276	\$36.41	\$0.99
	Toledo, OH	Huntsville, AL	\$2,921	\$215	\$31.14	\$0.85
	Indianapolis, IN	Raleigh, NC	\$3,830	\$305	\$41.06	\$1.12
	Indianapolis, IN	Huntsville, AL	\$2,613	\$146	\$27.40	\$0.75
	Champaign-Urbana, IL	New Orleans, LA	\$3,156	\$262	\$33.94	\$0.92
Shuttle Train						
Wheat	Great Falls, MT	Portland, OR	\$2,966	\$202	\$31.46	\$0.86
	Wichita, KS	Galveston-Houston, TX	\$2,987	\$158	\$31.23	\$0.85
	Chicago, IL	Albany, NY	\$3,497	\$284	\$37.55	\$1.02
	Grand Forks, ND	Portland, OR	\$4,229	\$350	\$45.47	\$1.24
	Grand Forks, ND	Galveston-Houston, TX	\$5,144	\$364	\$54.70	\$1.49
	Northwest KS	Portland, OR	\$4,619	\$416	\$50.00	\$1.36
Corn	Minneapolis, MN	Portland, OR	\$4,120	\$426	\$45.14	\$1.23
	Sioux Falls, SD	Tacoma, WA	\$4,120	\$390	\$44.79	\$1.22
	Champaign-Urbana, IL	New Orleans, LA	\$2,677	\$262	\$29.18	\$0.79
	Lincoln, NE	Galveston-Houston, TX	\$2,880	\$227	\$30.86	\$0.84
	Des Moines, IA	Amarillo, TX	\$3,330	\$205	\$35.10	\$0.96
	Minneapolis, MN	Tacoma, WA	\$4,120	\$422	\$45.11	\$1.23
	Council Bluffs, IA	Stockton, CA	\$3,480	\$437	\$38.90	\$1.06
Soybeans	Sioux Falls, SD	Tacoma, WA	\$4,320	\$390	\$46.77	\$1.27
	Minneapolis, MN	Portland, OR	\$4,270	\$426	\$46.63	\$1.27
	Fargo, ND	Tacoma, WA	\$4,270	\$347	\$45.85	\$1.25
	Council Bluffs, IA	New Orleans, LA	\$3,510	\$302	\$37.85	\$1.03
	Toledo, OH	Huntsville, AL	\$2,536	\$215	\$27.32	\$0.74
Grand Island, NE	Portland, OR	\$4,520	\$426	\$49.11	\$1.34	

¹A 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.

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

³Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

*Regional economic areas defined by the Bureau of Economic Analysis (BEA)

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to Mexico

Effective date:		3/1/2011		Fuel			Percent
Commodity	Origin state	Destination region	Tariff rate/car ¹	surcharge per car ²	Tariff plus surcharge per:		change Y/Y ⁴
					metric ton ³	bushel ³	
Wheat	MT	Chihuahua, CI	\$6,854	\$370	\$73.81	\$2.01	4
	OK	Cuautitlan, EM	\$6,191	\$403	\$67.38	\$1.83	6
	KS	Guadalajara, JA	\$6,825	\$679	\$76.67	\$2.08	7
	TX	Salinas Victoria, NL	\$3,470	\$168	\$37.17	\$1.01	10
Corn	IA	Guadalajara, JA	\$7,056	\$659	\$78.83	\$2.00	4
	SD	Penjamo, GJ	\$6,619	\$484	\$72.58	\$1.84	-3
	NE	Queretaro, QA	\$6,240	\$535	\$69.22	\$1.76	2
	SD	Salinas Victoria, NL	\$4,785	\$368	\$52.65	\$1.34	-1
	MO	Tlalnepantla, EM	\$5,428	\$521	\$60.79	\$1.54	3
	SD	Torreon, CU	\$5,681	\$405	\$62.19	\$1.58	0
Soybeans	MO	Bojay (Tula), HG	\$6,208	\$569	\$69.25	\$1.88	2
	NE	Guadalajara, JA	\$7,020	\$646	\$78.33	\$2.13	6
	IA	El Castillo, JA ⁵	\$7,060	\$481	\$77.05	\$2.09	1
	KS	Torreon, CU	\$5,675	\$437	\$62.45	\$1.70	8
Sorghum	OK	Cuautitlan, EM	\$4,729	\$367	\$52.07	\$1.32	2
	TX	Guadalajara, JA	\$5,781	\$315	\$62.29	\$1.58	1
	NE	Penjamo, GJ	\$6,407	\$591	\$71.51	\$1.81	-1
	KS	Queretaro, QA	\$5,641	\$364	\$61.35	\$1.56	4
	NE	Salinas Victoria, NL	\$4,500	\$343	\$49.48	\$1.26	4
	NE	Torreon, CU	\$5,546	\$464	\$61.40	\$1.56	4

¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

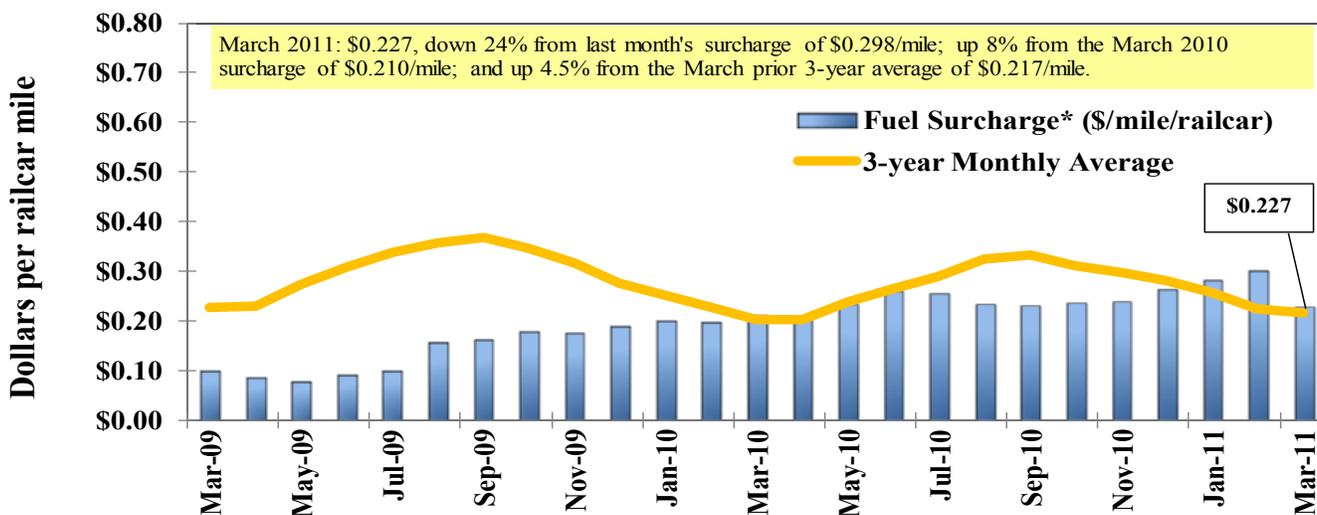
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵Beginning 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 Average¹

¹Weighted by each Class I railroad's proportion of grain traffic for the prior year.

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

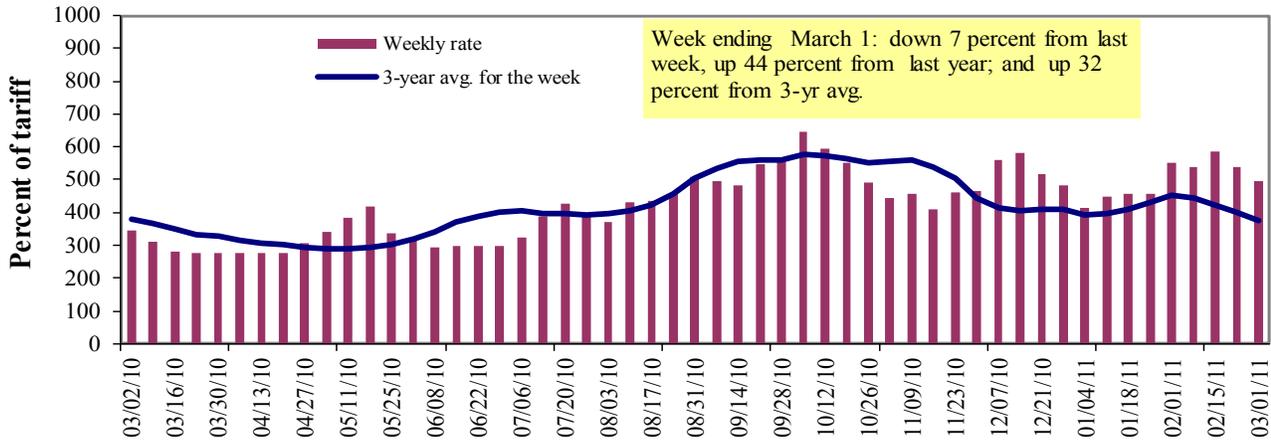
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

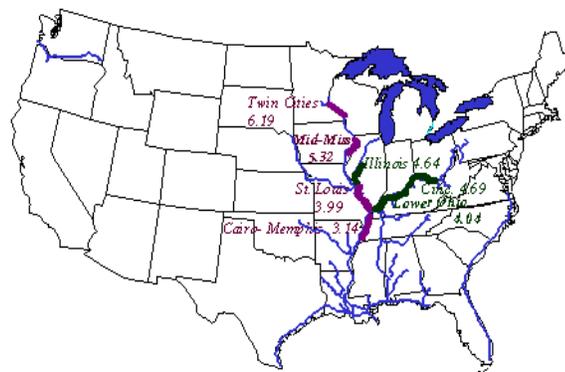
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate ¹	3/1/2011	-	-	498	380	424	428	332
	2/22/2011	-	-	538	440	463	463	400
\$/ton	3/1/2011	-	-	23.11	15.16	19.89	17.29	10.42
	2/22/2011	-	-	24.96	17.56	21.71	18.71	12.56
Current week % change from the same week:								
	Last year	-	-	44	45	55	56	45
	3-year avg. ²	-	-	32	33	43	43	29
Rate ¹	April	-	472	434	437	323	392	392
	May	467	415	417	312	378	378	295

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



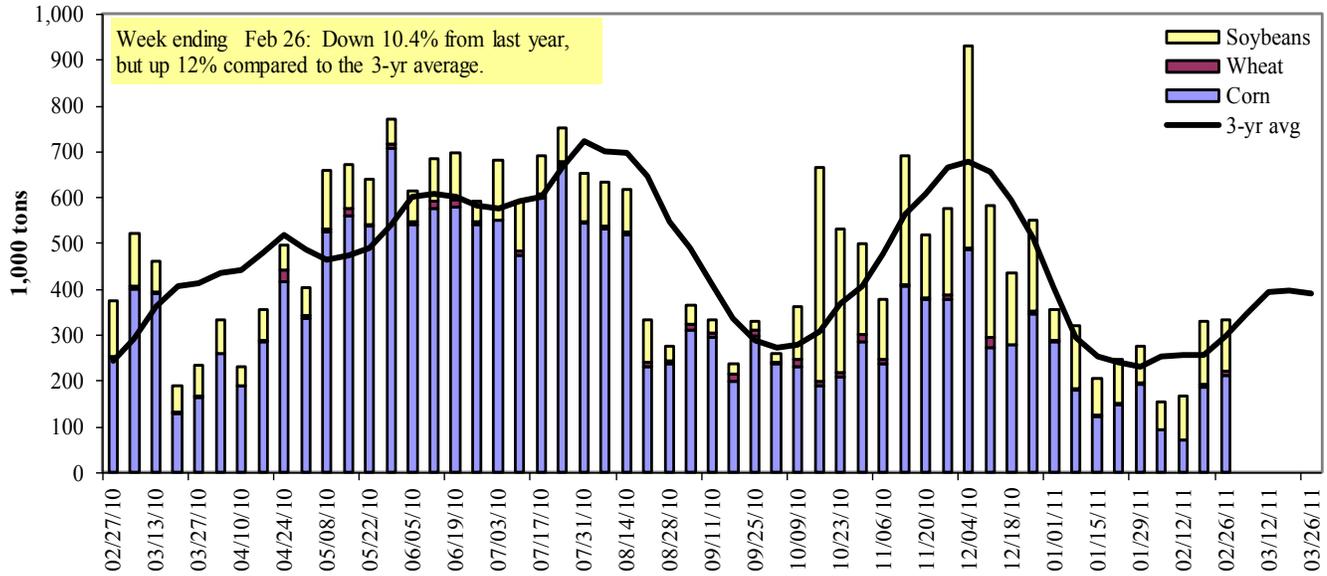
Calculating barge rate per ton:

$(\text{Index} * 1976 \text{ tariff benchmark rate per ton}) / 100$

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Figure 10

Barge Movements on the Mississippi River¹ (Locks 27 - Granite City, IL)



¹ The 3-year average is a 4-week moving average.

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 2/26/2011	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)	181	8	67	2	258
Granite City, IL (L27)	213	8	114	3	338
Illinois River (L8)	153	6	82	2	243
Ohio River (L52)	122	0	75	0	196
Arkansas River (L1)	0	3	38	4	45
Weekly total - 2011	335	10	226	7	579
Weekly total - 2010	382	6	195	3	586
2011 YTD ¹	2,389	137	1,902	43	4,471
2010 YTD	2,319	172	1,985	75	4,551
2011 as % of 2010 YTD	103	80	96	58	98
Last 4 weeks as % of 2010 ²	87	76	91	76	88
Total 2010	22,768	1,220	10,373	481	34,841

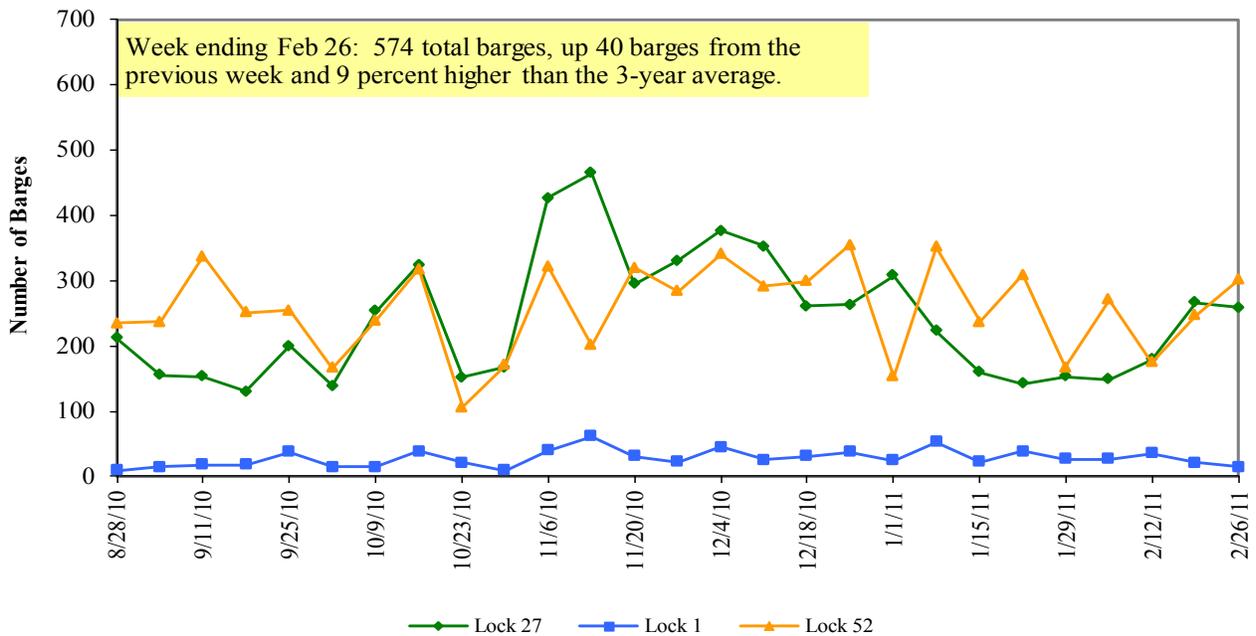
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2010.

Note: Total may not add exactly, due to rounding

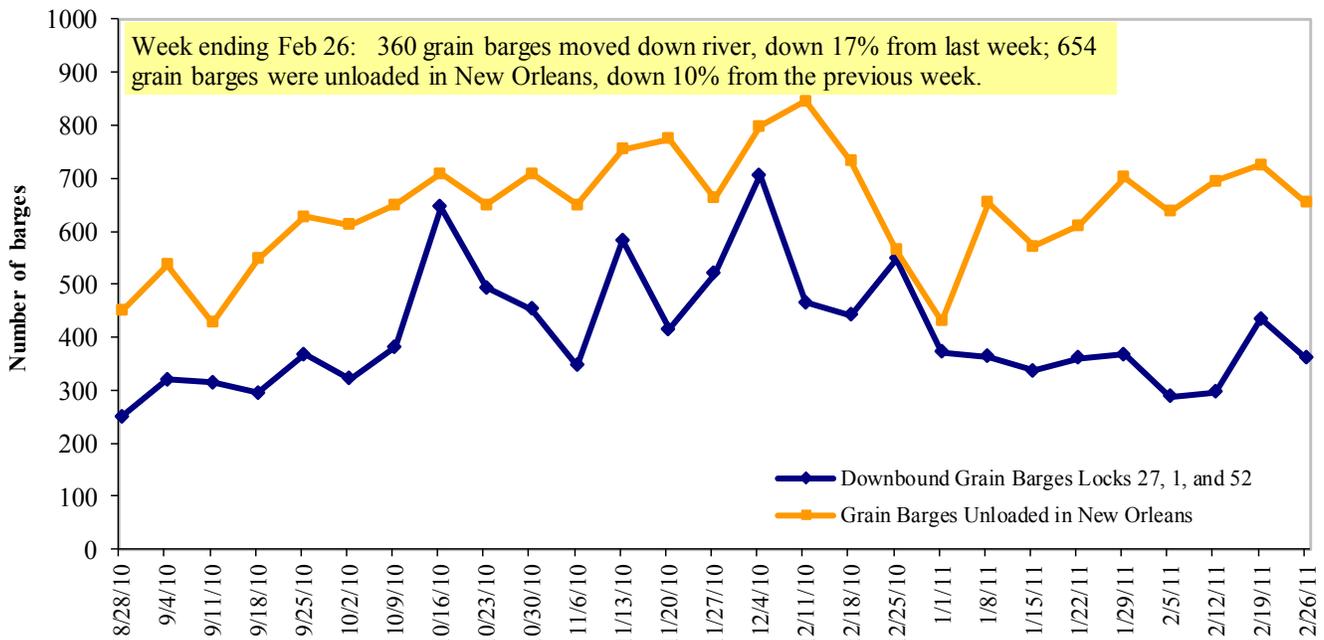
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrini/omni/webprts/default.asp)

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 Prices¹, Week Ending 2/28/2011 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.764	0.144	0.862
	New England	3.903	0.134	0.885
	Central Atlantic	3.875	0.141	0.862
	Lower Atlantic	3.703	0.146	0.859
II	Midwest ²	3.661	0.144	0.836
III	Gulf Coast ³	3.656	0.134	0.837
IV	Rocky Mountain	3.698	0.130	0.847
V	West Coast	3.892	0.163	0.936
	California	3.964	0.165	0.941
Total	U.S.	3.716	0.143	0.855

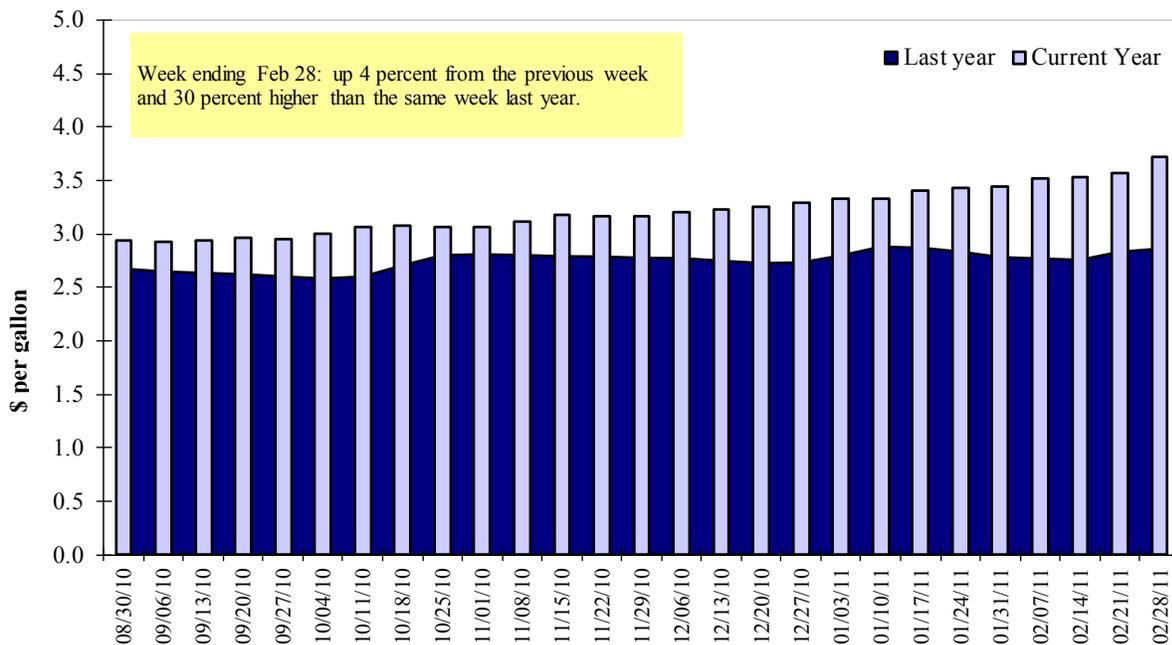
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

Week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
2/17/2011	3,720	820	2,618	1,215	129	8,502	13,238	9,719	31,459
This week year ago	1,748	534	1,052	822	186	4,342	11,397	6,732	22,471
Cumulative exports-marketing year²									
2010/11 YTD	10,588	1,723	5,721	3,373	744	22,150	19,650	29,318	71,118
2009/10 YTD	5,798	2,092	3,580	2,922	738	15,129	19,839	28,912	63,880
YTD 2010/11 as % of 2009/10	183	82	160	115	101	146	99	101	111
Last 4 wks as % of same period 2009/10	214	148	246	156	60	196	111	164	143
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 Importers¹ of U.S. Corn

Week ending 02/17/11	Total Commitments ²		% change current MY from last MY	Exports ³ 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	9,491	8,201	16	14,343
Mexico	5,447	6,139	(11)	7,999
Korea	3,677	4,339	(15)	7,562
Taiwan	1,676	1,891	(11)	2,949
Egypt	2,228	1,251	78	2,935
Top 5 importers	22,518	21,821	3	35,788
Total US corn export sales	32,889	31,236	5	50,460
% of Projected	66%	62%		
Change from Last Week	1,501	401		
Top 5 importers' share of U.S. corn export sales	68%	70%		
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 Importers¹ of U.S. Soybeans

Week ending 02/17/11	Total Commitments ²		% change current MY from last MY	Exports ³ 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	24,305	21,835	11	22,454
Mexico	2,219	2,070	7	3,276
Japan	1,671	1,703	(2)	2,347
EU-25	2,381	2,444	(3)	2,647
Taiwan	1,130	1,221	(7)	1,556
Top 5 importers	31,706	29,273	8	32,280
Total US soybean export sales	39,037	35,644	10	40,850
% of Projected	90%	87%		
Change from last week	135	239		
Top 5 importers' share of U.S. soybean export sales	81%	82%		
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.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 02/17/2011	Total Commitments ²		% change current MY from last MY	Exports ³ 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,842	3,001	(5)	3,233
Japan	3,233	2,620	23	3,148
Mexico	2,546	1,779	43	1,975
Philippines	1,830	1,559	17	1,518
Korea, South	1,504	1,042	44	1,111
Taiwan	820	666	23	844
Venezuela	618	520	19	658
Colombia	670	519	29	575
Peru	862	423	104	567
Egypt	3,243	456	612	529
Top 10 importers	18,167	12,586	44	14,156
Total US wheat export sales	30,652	19,472	57	23,980
% of Projected	87%	81%		
Change from last week	1,008	376		
Top 10 importers' share of U.S. wheat export sales	59%	65%		
USDA forecast, February 2010	35,380	23,980	48	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

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

Port regions	Week ending 02/24/11	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		Total ¹ 2010
							2010	3-yr. avg.	
Pacific Northwest									
Wheat	230	323	71	2,064	1,690	122	123	134	11,062
Corn	52	212	25	1,017	1,277	80	74	70	9,950
Soybeans	381	253	150	1,847	2,221	83	98	100	10,191
Total	663	788	84	4,927	5,188	95	100	103	31,203
Mississippi Gulf									
Wheat	112	57	197	757	542	140	134	124	4,199
Corn	480	645	75	3,567	4,037	88	100	88	29,794
Soybeans	744	757	98	5,773	5,555	104	121	128	22,519
Total	1,337	1,459	92	10,097	10,134	100	112	109	56,512
Texas Gulf									
Wheat	162	378	43	2,145	1,217	176	155	192	9,339
Corn	0	1	0	136	345	39	28	28	1,859
Soybeans	116	64	181	626	647	97	93	114	1,916
Total	278	443	63	2,906	2,209	132	120	142	13,115
Great Lakes									
Wheat	2	0	800	7	5	140	272	174	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	0	655
Total	2	0	800	7	5	140	272	150	2,672
Atlantic									
Wheat	2	60	4	268	48	562	112,700	620	343
Corn	0	12	0	53	69	77	59	45	469
Soybeans	45	28	160	262	453	58	42	62	1,417
Total	47	99	47	584	569	103	88	106	2,229
U.S. total from ports²									
Wheat	509	818	62	5,240	3,502	150	144	159	26,839
Corn	533	869	61	4,772	5,727	83	88	80	42,192
Soybeans	1,286	1,102	117	8,507	8,875	96	108	116	36,699
Total	2,327	2,789	83	18,520	18,104	102	109	111	105,730

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

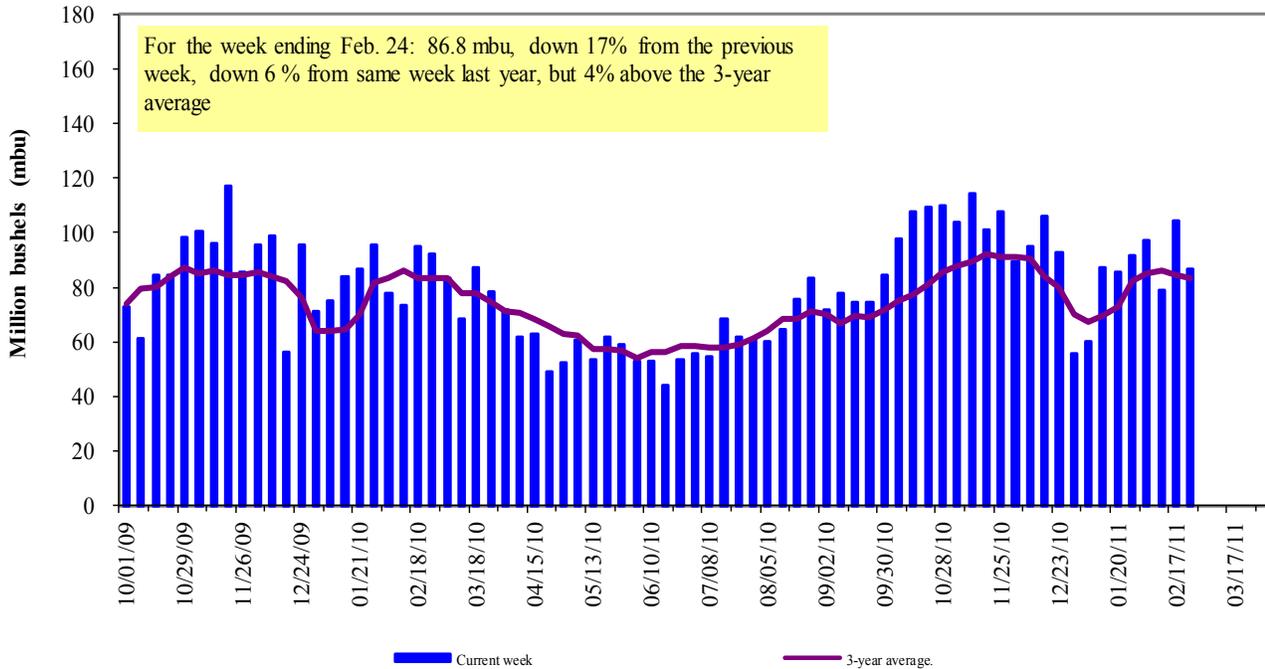
² Total includes only port regions shown above

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)

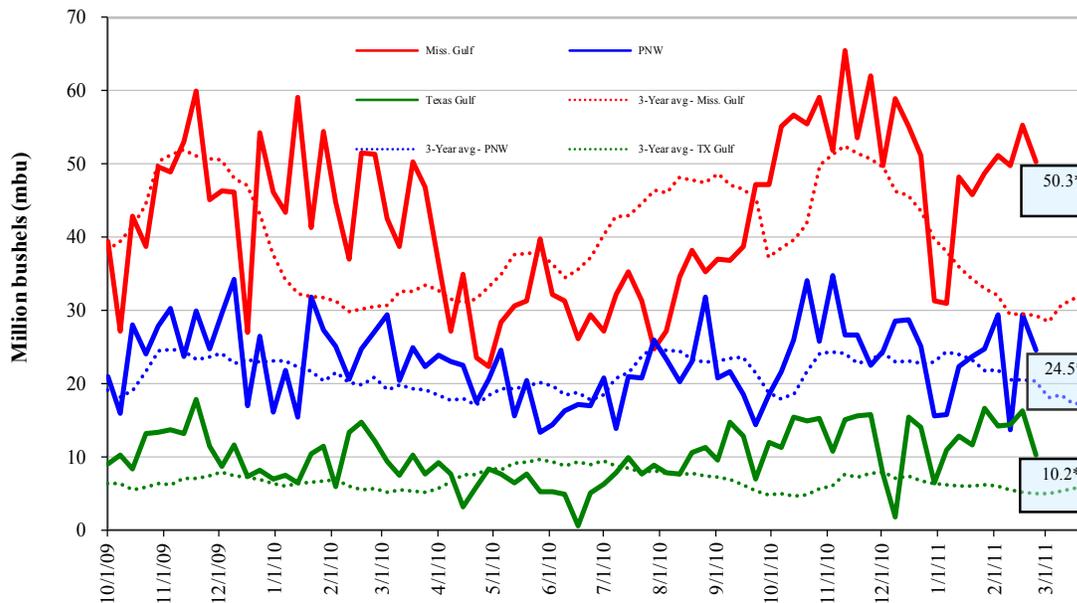


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW¹ (wheat, corn, and soybeans)



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

Feb. 24 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 9	down 37	down 15	down 17
Last year (same week)	down 2	down 16	down 5	down 10
3-yr avg. (4-wk mov. avg.)	up 5	up 4	up 5	down 1

Ocean Transportation

Table 17

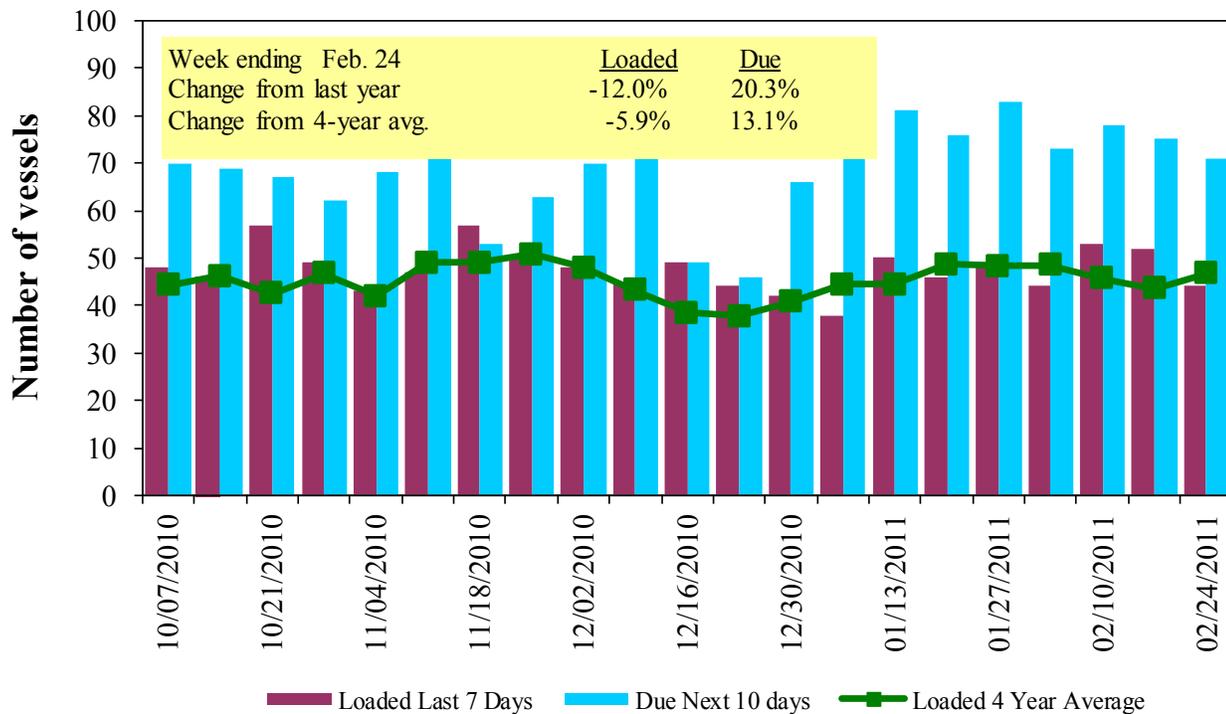
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
2/24/2011	63	44	71	19	17
2/17/2011	60	52	75	22	0
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. Gulf¹ Vessel Loading Activity

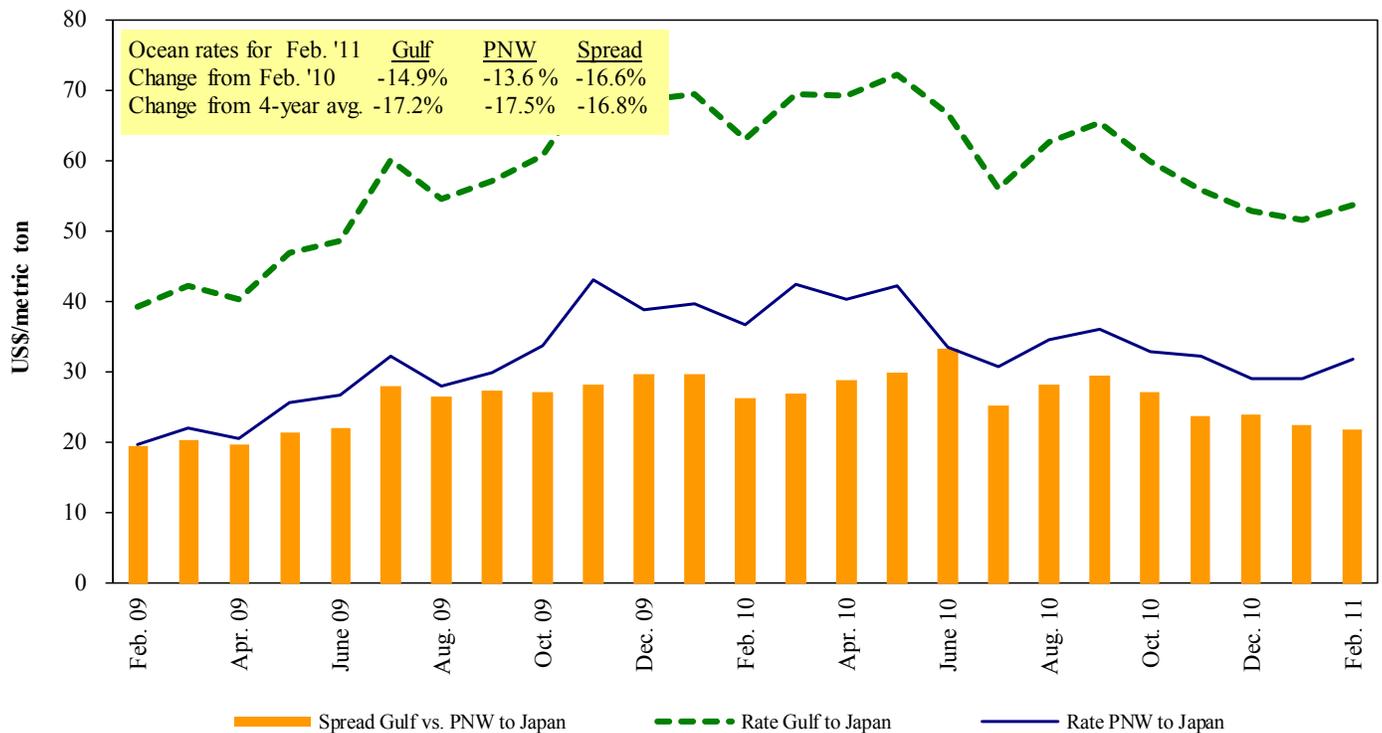


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 2/26/2011

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Mar 20/29	52,000	52.00
U.S. Gulf	China	Heavy Grain	Mar 8/15	55,000	53.60
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	Nicaragua	Corn/Soybean meal	Feb 7/17	24,000	56.42
U.S. Gulf	El Salvador ¹	Wheat	Feb 14/24	30,000	64.00
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
Brazil	China	Heavy Grain	April 1/15	55,000	47.00
River Plate	Algeria	Corn	Jan 22/27	30,000	43.00
River Plate	Algeria	Corn	Dec 5/10	25,000	36.00
River Plate	Morocco	corn	Feb 28/Mar 8	25,000	37.25
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

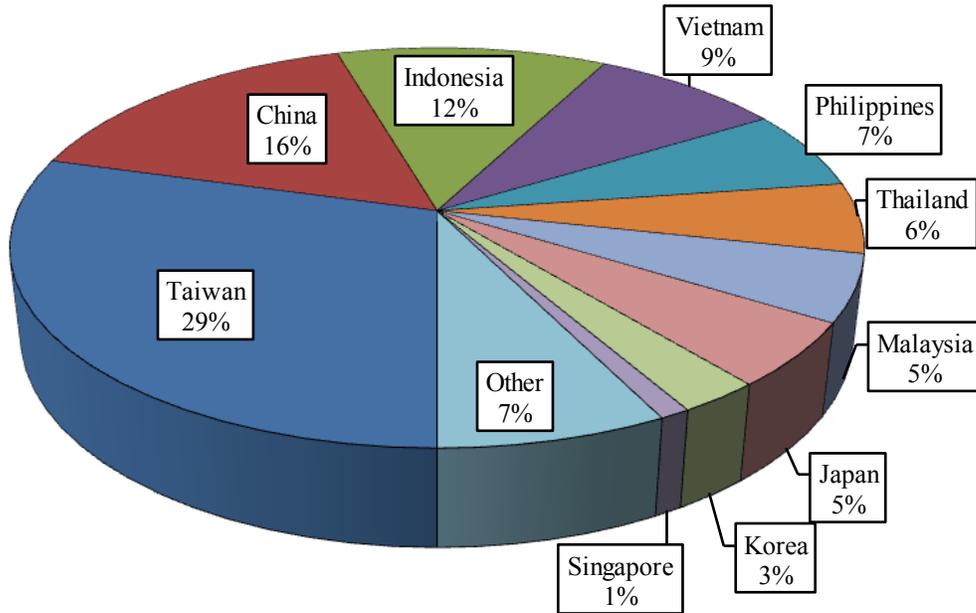
¹75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 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, December 2010

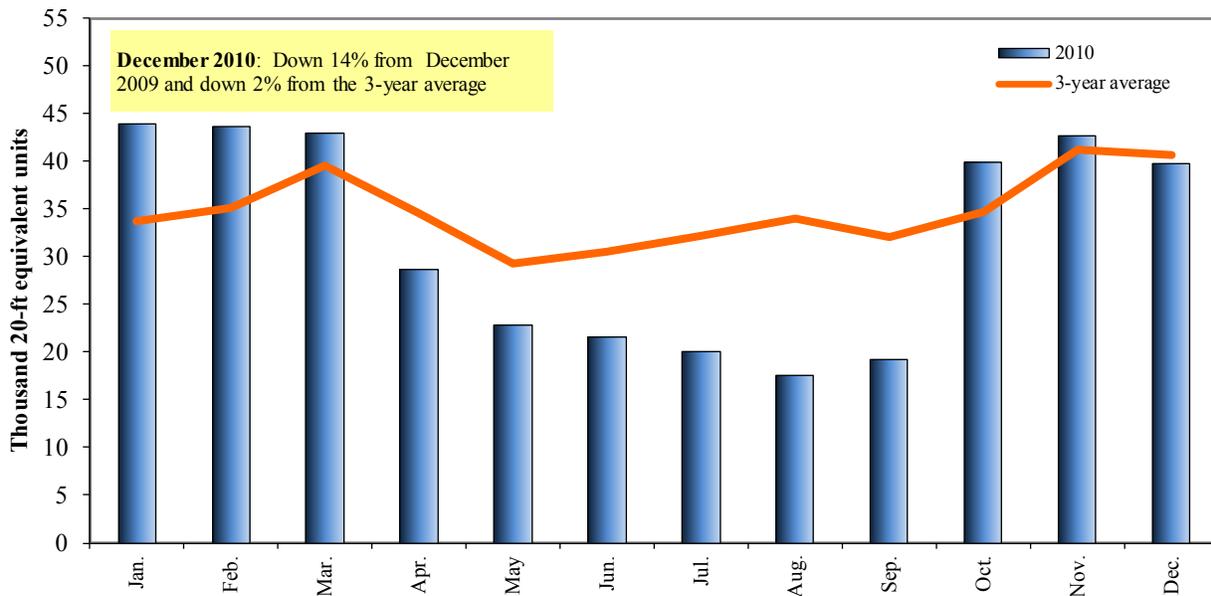


Source: Port Import Export Reporting Service (PIERS)

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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