USDA
Agricultural Marketing Service

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

Contact Us

March 10, 2011

Contents

The next release is March 17, 2011

WEEKLY HIGHLIGHTS

Demand and Inclement Weather Contribute to Rising Barge Rates

Barge rates jumped significantly this week as weather and demand for barges for coal, fertilizer, and steel reduced the barge supply. **Illinois River grain barge rates** increased 27 percent from last week; they were a notable 103 percent higher than last year at this time. High water and ice have increased operating expenses on the Illinois River. Rising fuel prices have also added to the rate increases. Downbound coal for export has called for more barges as foreign demand for U.S. coal has increased. Upbound movements of fertilizer and steel products have also tightened the barge supply, causing an additional upward push in barge rates. Barge rates all along the Mississippi River experienced similar rate increases.

Improved Ethanol Distribution Expected as CHS Invests in Refined Fuels Infrastructure

On March 2, CHS Inc. announced it is investing $26 million to strengthen its refined fuels supply infrastructure in the northern plains region. Over the next 3 years, the company will undertake nearly a dozen projects to expand storage capacity at its terminals, improve and expand truck loading facilities, enhance ethanol blending, and streamline loading technology systems. For example, in Minot, ND, installation of a third truck-loading rack, new pumps, and piping are expected to increase truck loading rates by 125 percent. In Glendive, MT, upgraded rail car unloading systems, new pumps, and piping will increase truck loading rates by 50 percent.

Corn Inspections Reach High for the Year

For the week ending March 3, **total inspections of grain** (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.26 million metric tons (mmt), down 3 percent from the previous week but 2 percent above last year at this time. Weekly corn inspections (1.05 mmt) reached a high for the calendar year as shipments increased to Asia and Egypt. Weekly corn export sales have been averaging above 1 mmt per week for the past 5 weeks, which should translate into strong export inspection figures for the remainder of the marketing year that ends August 31. Wheat inspections (.560 mmt) also rebounded, increasing 10 percent from the previous week. Mississippi and Texas Gulf grain exports were boosted by more corn and wheat inspections. Inspections of soybeans, however, dropped 50 percent from the previous week as shipments to Asia declined, in part due to the increased availability of Brazil's new crop soybeans.

Snapshots by Sector

Rail

U.S. railroads originated 23,358 **carloads of grain** during the week ending February 26, down 0.2 percent from last week, up 2 percent from last year, and 5 percent higher than the 3-year average.

During the week ending March 3, average March **non-shuttle secondary railcar bids/offers** were $169 above tariff, down $6.00 from last week. Average shuttle rates were $200 above tariff, up $58.50 from last week.

Barge

During the week ending March 5, **barge grain movements** totaled 411,520 tons, 29 percent lower than the previous week and 45 percent lower than the same period last year.

During the week ending March 5, 261 grain barges **moved down river**, down 28 percent from last week; 714 grain barges were **unloaded in New Orleans**, up 9 percent from the previous week.

Ocean

During the week ending March 3, 52 **ocean-going grain vessels** were loaded in the Gulf, up 18 percent from last year. Seventy-six vessels are expected to be loaded in the U.S. Gulf within the next 10 days, down 1 percent from last year.

During the week ending March 4, the cost of shipping grain from the Gulf to Japan averaged $59 per mt, up 5 percent from the previous week. The rate from the Pacific Northwest to Japan was $34 per mt, up 3 percent from the previous week.

Fuel

During the week ending March 7, U.S. average **diesel fuel prices** increased 16 cents per gallon to $3.87—up 4 percent from the previous week and 33 percent higher than the same week last year.

Feature Article/Calendar

Corn and Soybean Transportation Costs Increase in Gulf but Drop in PNW

U.S. Gulf Costs: Total fourth quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, through the U.S. Gulf to Japan increased 3 percent from the third quarter 2010. The increase was due mainly to a 28 percent increase in barge rates (table 1). Barge rates continued to increase because of increasing demand for barge services and delays on the river due to freezing (*GTR 1/20/11*). Year-to-year transportation costs for shipping from the Gulf decreased over 4 percent because of lower truck and ocean rates. Ocean rates continued to slip because of a seasonal slowdown in the bulk shipping industry (*GTR 1/27/11*). Barge rates accounted for 39 percent of the total transportation cost for shipping corn and soybeans from Minnesota through the Gulf. Truck rates decreased 8 percent from the previous quarter. Year-to-year truck rates decreased over 21 percent despite increasing diesel prices (tables1, 2).

Table 1: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. Gulf

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	4thQtr 09	3rdQtr 10	4thQtr 10	Yr. to Yr.	Qtr to Qtr	4thQtr 09	3rdQtr 10	4thQtr 10	Yr. to Yr.	Qtr to Qtr
Truck	11.38	9.74	8.94	-21.44	-8.21	11.38	9.74	8.94	-21.44	-8.21
Barge	33.50	32.82	41.85	24.93	27.51	33.50	32.82	41.85	24.93	27.51
Ocean	66.95	61.45	56.35	-15.83	-8.30	66.95	61.45	56.35	-15.83	-8.30
Total Transportation Cost	111.83	104.01	107.14	-4.19	3.01	111.83	104.01	107.14	-4.19	3.01
Farm Value [1]	140.15	138.84	164.56	17.42	18.52	346.86	352.25	385.69	11.19	9.49
Total Landed Cost	251.98	242.85	271.70	7.83	11.88	458.69	456.26	492.83	7.44	8.02
Transportation % Landed Cost	44.38	42.83	39.43			24.38	22.80	21.74		

Table 2: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. PNW

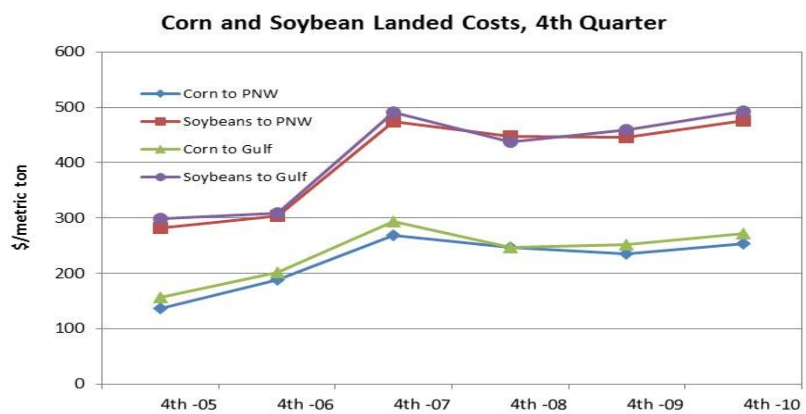
	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	4thQtr 09	3rdQtr 10	4thQtr 10	Yr. to Yr.	Qtr to Qtr	4thQtr 09	3rdQtr 10	4thQtr 10	Yr. to Yr.	Qtr to Qtr
Truck	11.38	9.74	8.94	-21.44	-8.21	11.38	9.74	8.94	-21.44	-8.21
Rail [1]	45.92	46.96	47.94	4.40	2.09	47.91	49.44	50.49	5.39	2.12
Ocean	38.60	33.77	31.34	-18.81	-7.20	38.60	33.77	31.34	-18.81	-7.20
Total Transportation Cost	95.90	90.47	88.22	-8.01	-2.49	97.89	92.95	90.77	-7.27	-2.35
Farm Value [2]	140.15	138.84	164.56	17.42	18.52	346.86	352.25	385.69	11.19	9.49
Total Landed Cost	236.05	229.31	252.78	7.09	10.24	444.75	445.2	476.46	7.13	7.02
Transportation % Landed Cost	40.63	39.45	34.90			22.01	20.88	19.05		

Source: USDA/AMS/TMP

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

[2] Source: USDA/NASS, Agricultural Prices

From quarter to quarter, the total landed cost for shipping corn and soybeans from the Gulf reached $272 and $493 respectively, up12 percent for corn and 8 percent for soybeans because of higher barge rates and farm values (table 1). Likewise, year-to-year landed costs increased 8 percent for corn and 7 percent for soybeans as barge rates and crop values rose. Fourth quarter 2010 landed costs for shipping corn from MN via the Gulf to Japan dropped 7 percent from the peak set in 2007, but soybean landed costs peaked during the fourth quarter 2010 (see figure). Transportation costs for shipping corn from the Gulf to Japan accounted for over 39 percent of the total landed cost during the fourth quarter. This is below the previous quarter and the last year. The soybean transportation cost share of the landed cost slipped to 22 percent, below the previous quarter and the same quarter last year.



Pacific Northwest Costs: Compared to the third quarter, fourth quarter total transportation costs from Minneapolis, MN through the Pacific Northwest (PNW) to Japan decreased over 2 percent for corn and soybeans. The decrease in truck and ocean rates continued to be a major factor in lower transportation costs from quarter to quarter (table 2). From year to year, total transportation costs for shipping grain from Minnesota to the PNW decreased 8 percent for corn and 7 percent for soybeans because of lower truck and ocean rates. Rail rates for shipping corn and soybeans to the PNW increased 2percent, respectively, from quarter to quarter. Rail rates for shipping corn and soybeans to the PNW increased 4 and 5 percent year to year because of higher fuel surcharges.

The total landed cost for shipping corn and soybeans from the PNW reached $253 and $476, up 10 percent for corn and 7 percent for soybeans because of higher farm values. From year to year, landed cost increased 7 percent for corn and soybeans (see table). Fourth quarter 2010 landed costs for shipping corn from Minnesota via the PNW to Japan decreased 6 percent from the peak set in 2007, but soybean landed costs reached a new peak (see figure). Transportation costs for corn shipped from the PNW accounted for about 35 percent of the total landed cost during the fourth quarter, less than the third quarter and the previous year (table 2). Likewise, fourth quarter transportation costs for soybeans shipped from the PNW was below the past quarter and last year, representing 19 percent of the total landed cost.
Johnny.Hill@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
03/09/11	260	264	352	264	241
03/02/11	249	270	277	250	234

[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	3/4/2011	2/25/2011
Corn	IL--Gulf	-0.78	-0.84
Corn	NE--Gulf	-1.00	-1.02
Soybean	IA--Gulf	-1.29	-1.27
HRW	KS--Gulf	-1.33	-1.45
HRS	ND--Portland	-3.98	-4.10

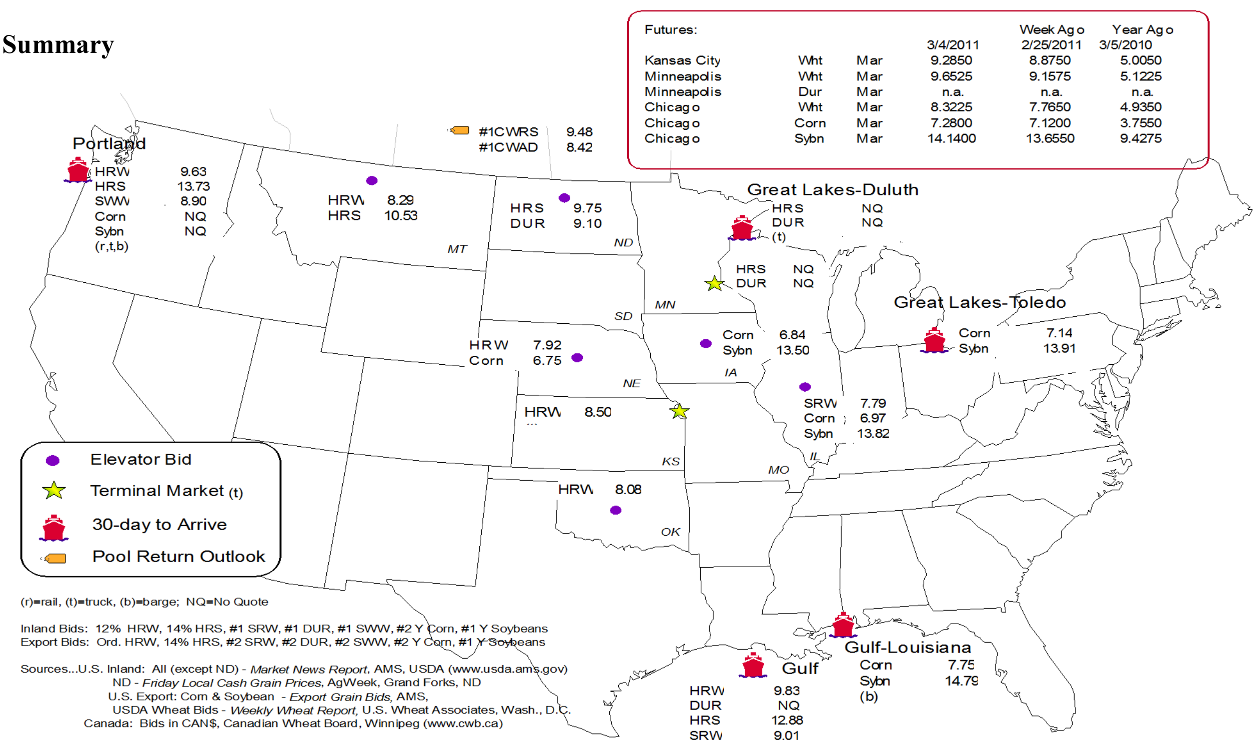
Note: nq = no quote

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
3/02/2011[p]	1,147	1,741	374	3,054	822	7,138
2/23/2011[r]	1,036	2,054	558	4,176	810	8,634
2011 YTD	9,615	18,888	4,972	34,994	6,932	75,401
2010YTD	4,527	13,892	7,399	30,037	10,626	66,481
2011 YTD as % of 2010 YTD	212	136	67	117	65	113
Last 4 weeks as % of 2010[2]	219	131	53	105	66	105
Last 4 weeks as % of 4-year avg.[2]	91	116	69	86	89	91
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.

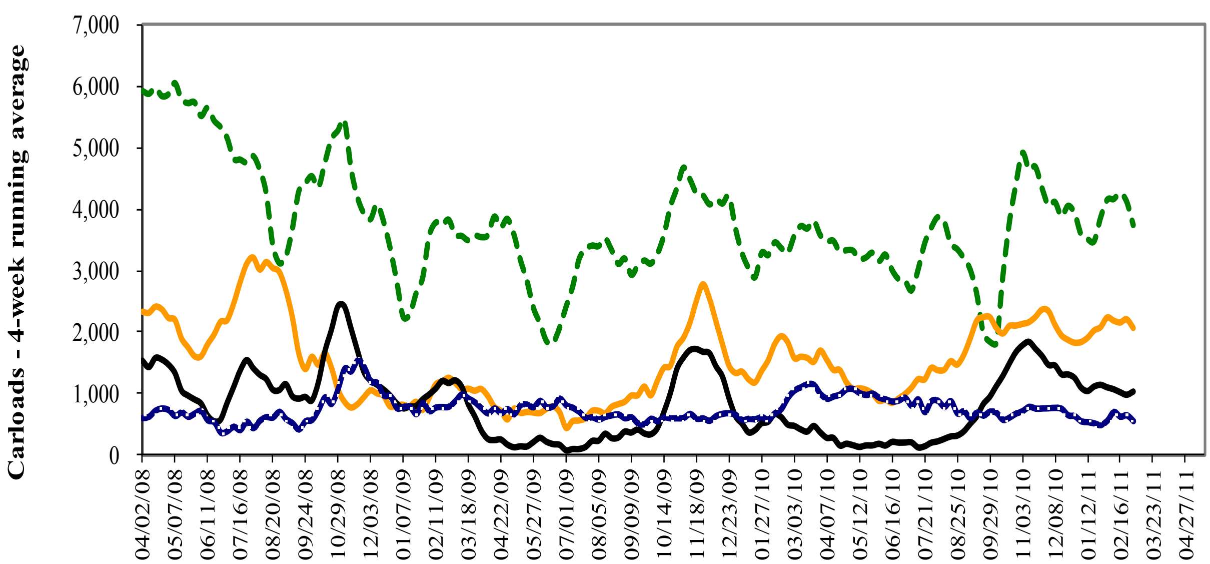
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



Pacific Northwest: 4wks. ending 3/02--up 5% from same period last year; down 14% from 4-year average

Texas Gulf: 4 wks. ending 3/02-- up 31% from same period last year; up 16% from 4-year average

Miss. River: 4 wks. Ending 3/02 -- up 119% from same period last year; down 9% from 4-year average

Cross-border Mexico: 4 wks. ending 3/02 -- down 47% from same period last year; down 31% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 4

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

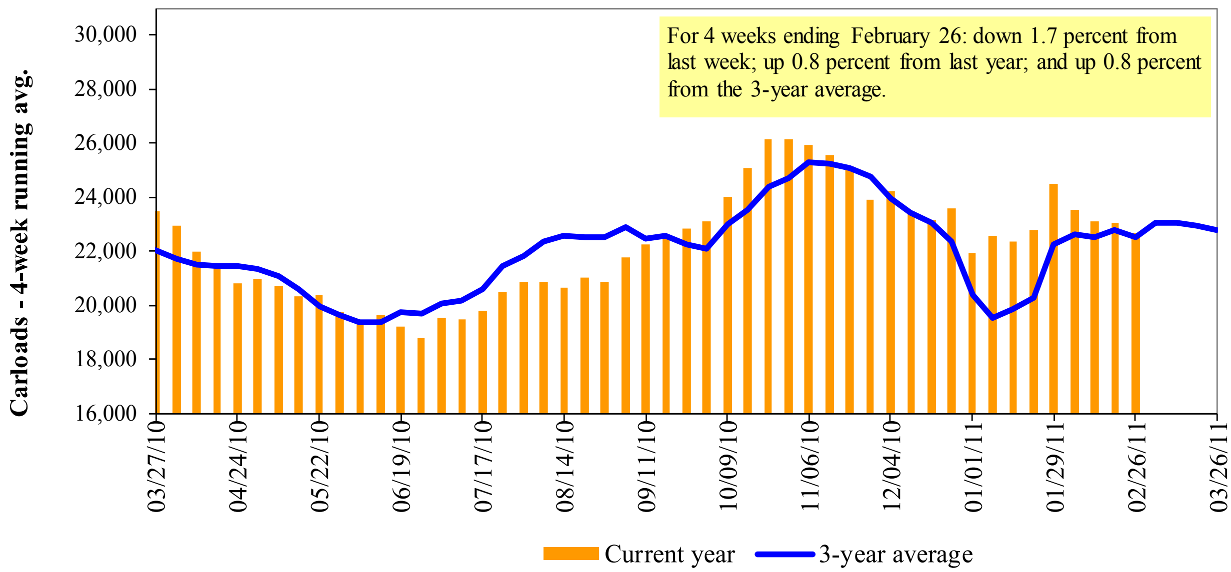
	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
02/26/11	1,546	3,220	11,859	462	6,271	23,358	4,186	4,382
This week last year	2,222	3,371	11,019	836	5,409	22,857	3,750	5,312
2011 YTD	17,266	23,885	93,362	4,782	49,408	188,703	30,341	36,490
2010 YTD	18,616	23,805	86,166	6,298	44,024	178,909	32,862	40,377
2011 YTD as % of 2010 YTD	93	100	108	76	112	105	92	90
Last 4 weeks as % of 2010[1]	86	96	105	65	105	101	92	96
Last 4 weeks as % of 3-yr avg.	75	98	105	72	104	100	88	94
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							
3/3/2011	Mar-11	Mar-10	Apr-11	Apr-10	May-11	May-10	Jun-11	Jun-10
BNSF[3]								
COT grain units	no offer	67	no offer	6	1	0	1	no bids
COT grain single-car[5]	no offer	no offer	no offer	11 . . 59	no offer	0 . . 2	0 . . 5	0 . . 1
UP[4]								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	1	1	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.

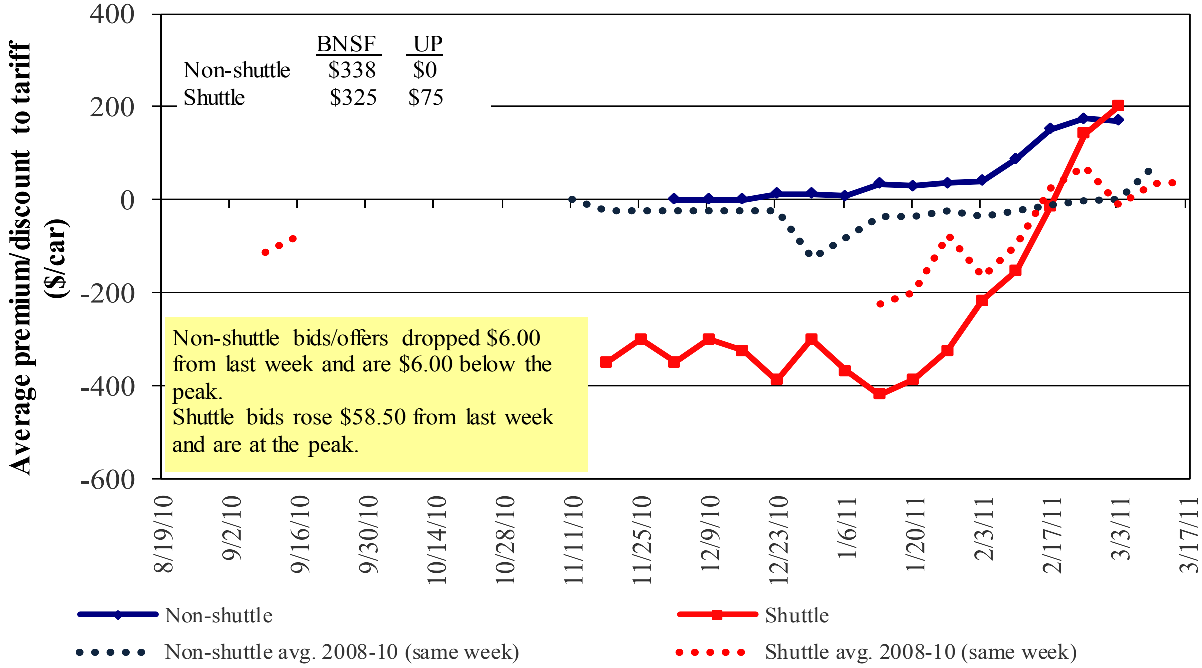
[5]Range is shown because average is not available. Not available = n/a.

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 2011, Secondary Market

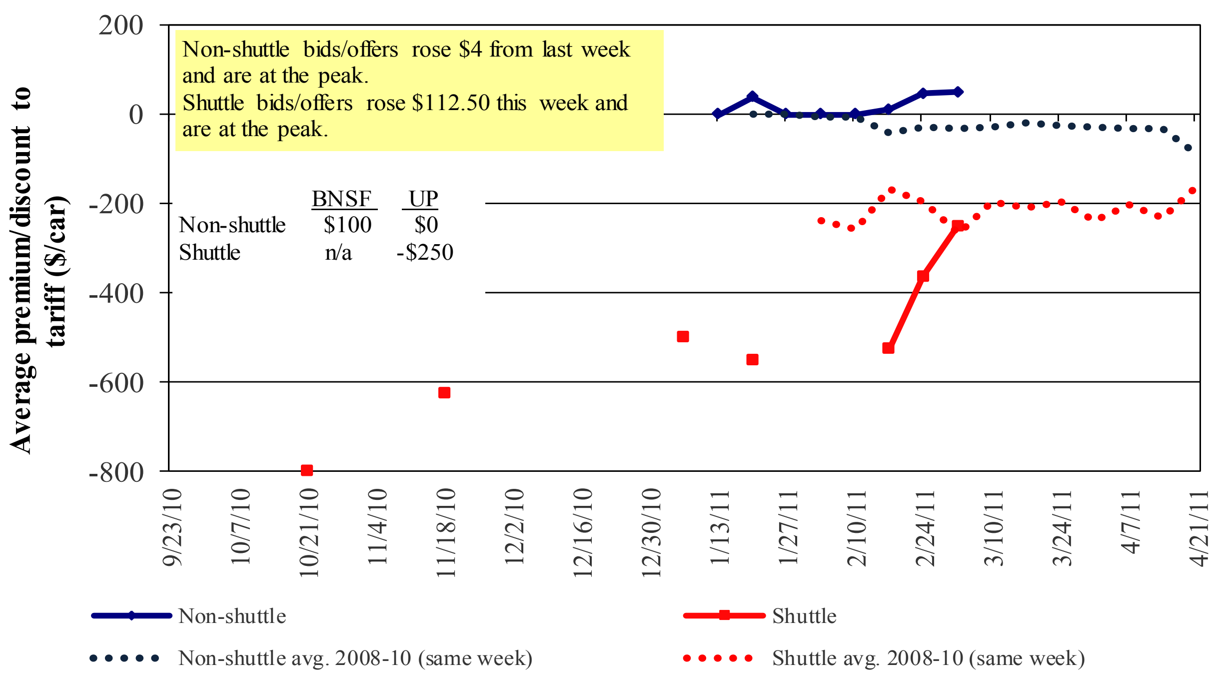


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

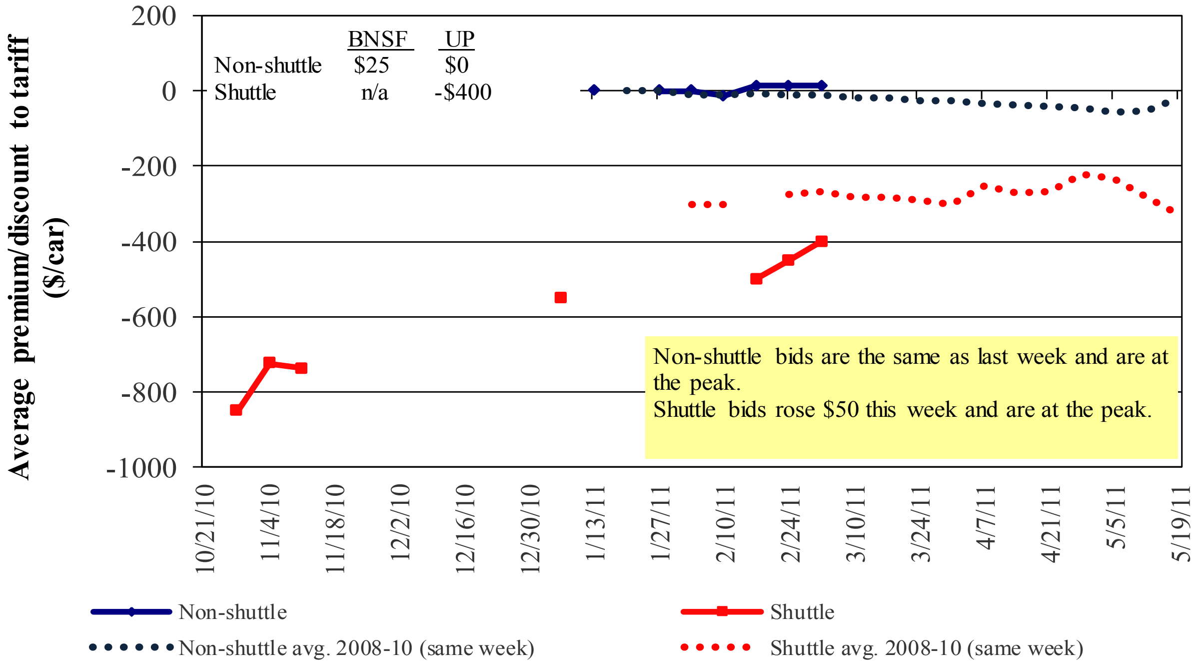


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

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					
3/3/2011	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
Non-shuttle						
BNSF-GF	338	100	25	n/a	n/a	n/a
Change from last week	37	67	-	n/a	n/a	n/a
Change from same week 2010	300	80	n/a	n/a	n/a	n/a
UP-Pool	-	-	-	n/a	n/a	n/a
Change from last week	(25)	-	-	n/a	n/a	n/a
Change from same week 2010	(13)	-	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	325	n/a	n/a	n/a	n/a	n/a
Change from last week	117	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	33	n/a	n/a	n/a	n/a	n/a
UP-Pool	75	(250)	(400)	(350)	(250)	(250)
Change from last week	-	150	50	-	-	-
Change from same week 2010	(119)	(50)	n/a	(150)	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: 3/1/2011	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	$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

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

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

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

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

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

Table 8

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

Effective date: 3/1/2011				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	$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

[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

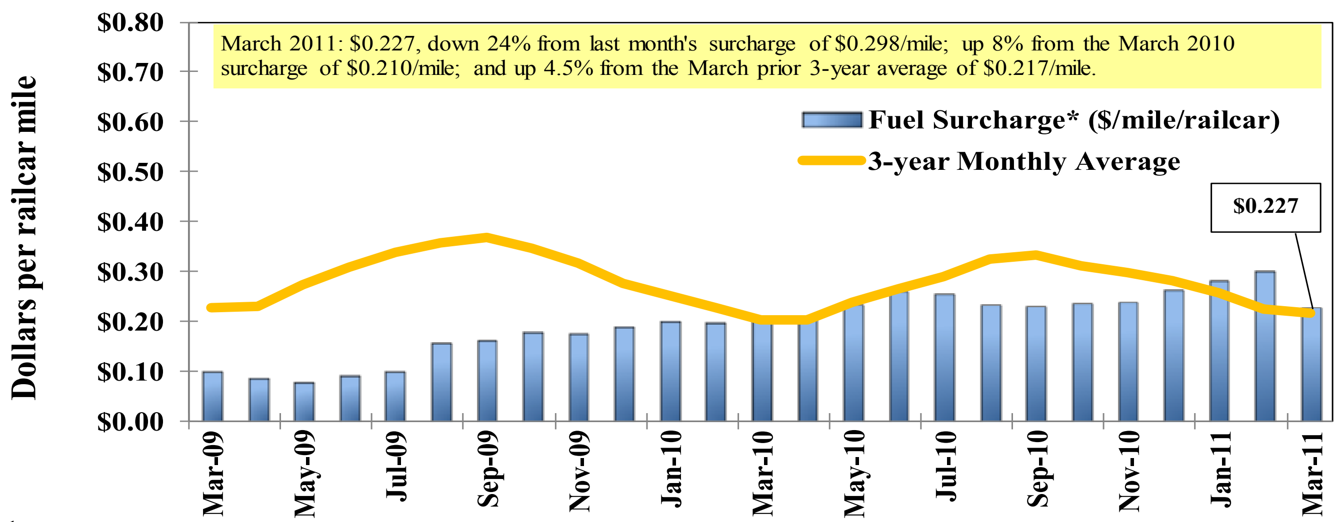
[4] Percentage change year over year calculated using tariff rate plus fuel surchage

[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]



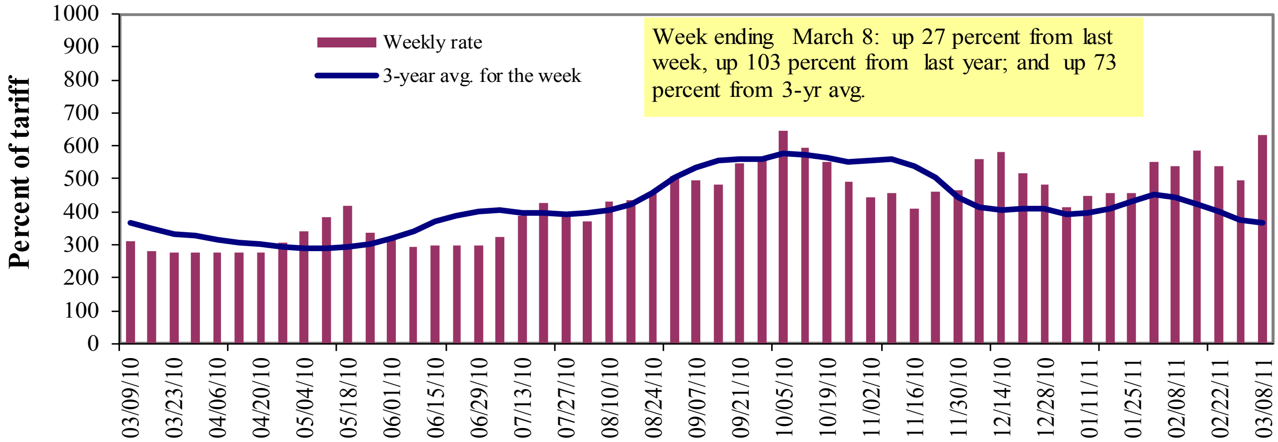
[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.
** BNSF strike 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]	3/8/2011	-	-	633	519	455	455	463
	3/1/2011	-	-	498	380	424	428	332
$/ton	3/8/2011	-	-	29.37	20.71	21.34	18.38	14.54
	3/1/2011	-	-	23.11	15.16	19.89	17.29	10.42
Current week % change from the same week:								
	Last year	-		103	128	69	69	128
	3-year avg. [2]	-	-	73	85	57	56	86
Rate[1]	April	530	495	513	400	467	467	375
	June	522	475	465	397	453	453	362

[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

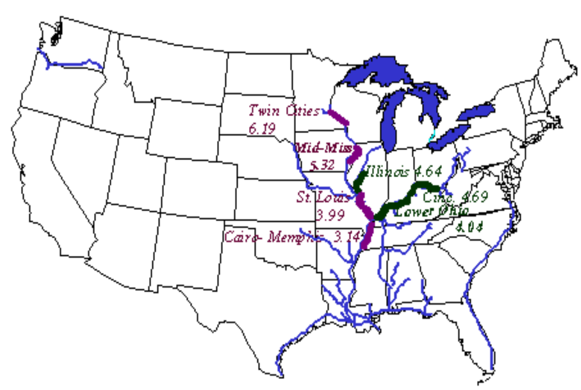
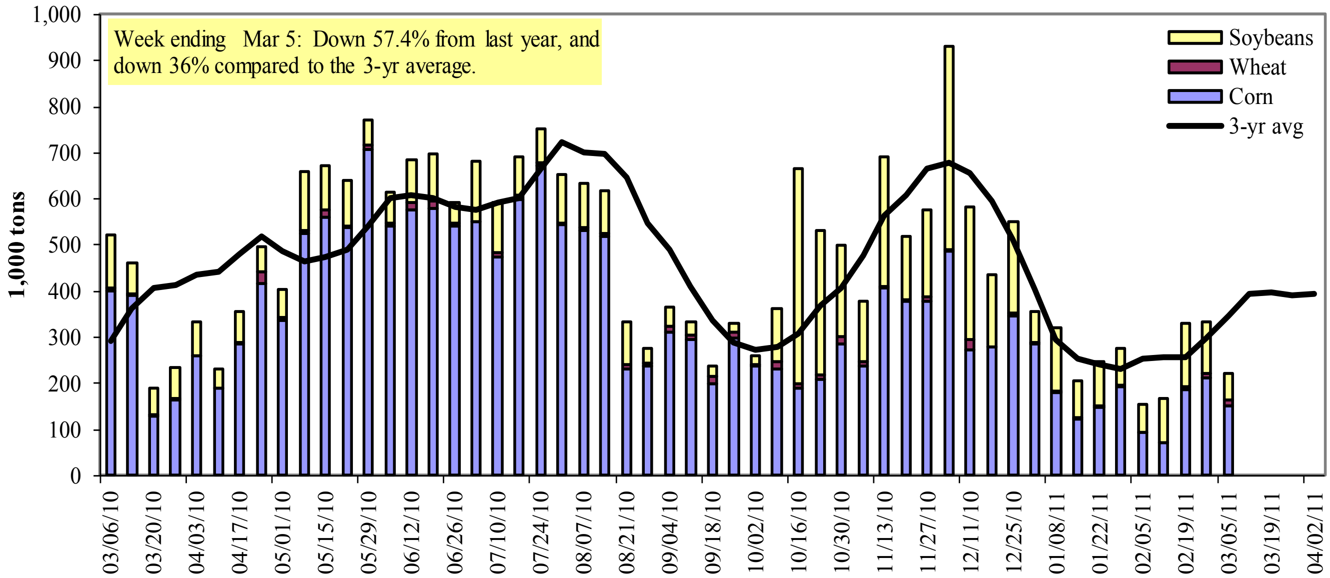


Figure 10

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 3/5/2011	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	5	0	0	0	5
Alton, IL (L26)	143	8	39	0	190
Granite City, IL (L27)	151	13	58	0	221
Illinois River (L8)	143	14	50	0	207
Ohio River (L52)	86	0	41	2	129
Arkansas River (L1)	0	8	45	8	62
Weekly total - 2011	237	21	144	10	412
Weekly total - 2010	533	9	206	7	755
2011 YTD[1]	2,626	158	2,045	54	4,883
2010 YTD	2,852	182	2,191	82	5,306
2011 as % of 2010 YTD	92	87	93	65	92
Last 4 weeks as % of 2010[2]	74	144	98	127	84
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.

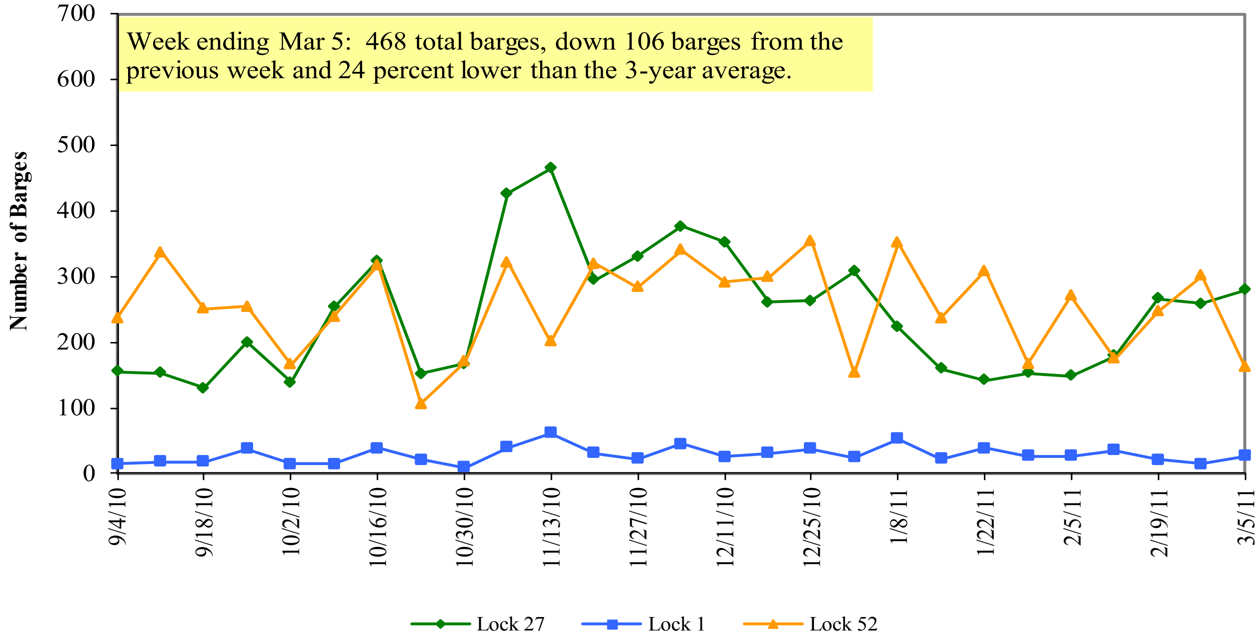
[2] As a percent of same period in 2010.

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

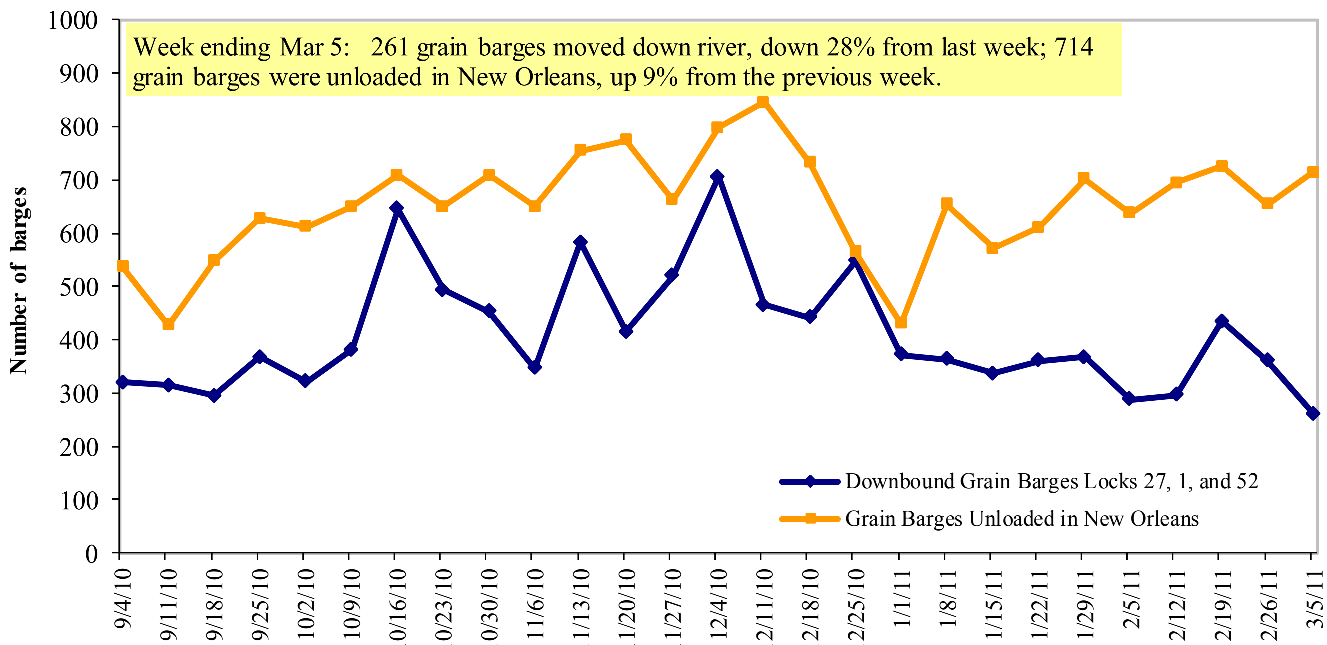
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 3/7/2011 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.908	0.144	0.976
	New England	4.046	0.143	1.031
	Central Atlantic	4.014	0.139	0.977
	Lower Atlantic	3.850	0.147	0.970
II	Midwest[2]	3.823	0.162	0.952
III	Gulf Coast[3]	3.812	0.156	0.939
IV	Rocky Mountain	3.845	0.147	0.955
V	West Coast	4.046	0.154	1.043
	California	4.122	0.158	1.065
Total	U.S.	3.871	0.155	0.967

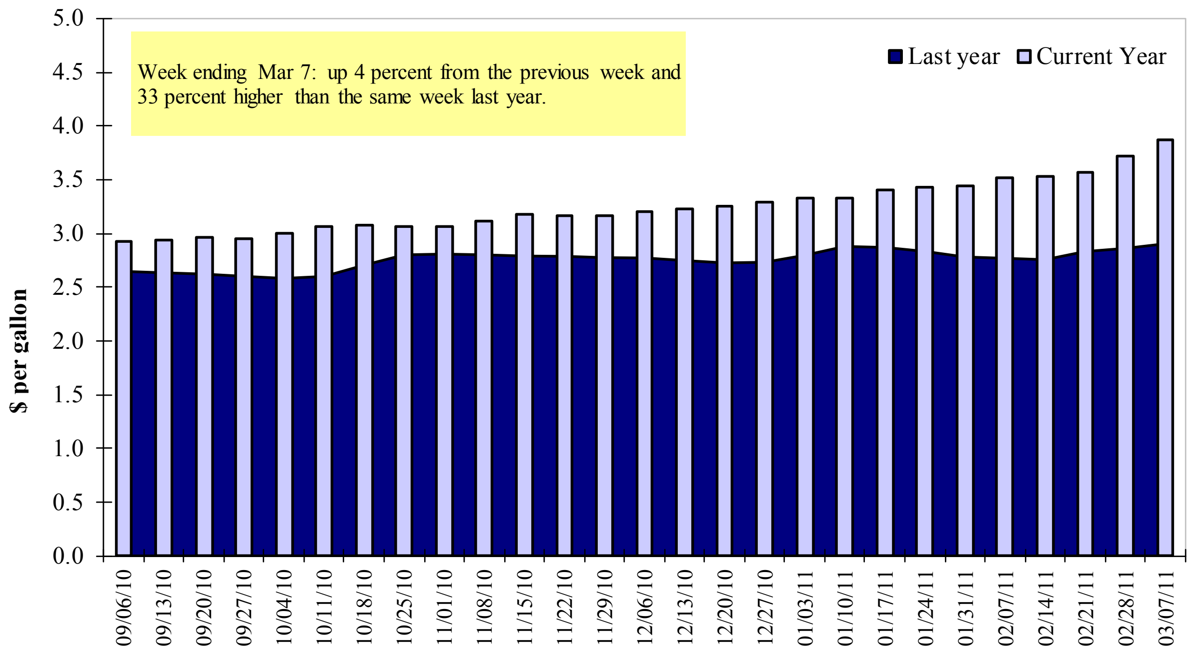
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
2/24/2011	3,830	910	2,447	206	129	8,521	13,519	8,387	30,427
This week year ago	1,563	526	962	736	186	3,971	11,103	5,817	20,891
Cumulative exports-marketing year[2]									
2010/11 YTD	10,845	1,754	5,935	3,414	744	22,692	20,451	31,012	74,155
2009/10 YTD	6,036	2,120	3,697	3,011	738	15,602	20,894	30,009	66,505
YTD 2010/11 as % of 2009/10	180	83	161	113	101	145	98	103	112
Last 4 wks as % of same period 2009/10	238	153	263	137	62	212	117	172	151
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 02/24/11	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	9,977	8,718	14	14,343
Mexico	5,800	6,252	(7)	7,999
Korea	3,729	4,397	(15)	7,562
Taiwan	1,695	1,955	(13)	2,949
Egypt	2,185	1,251	75	2,935
Top 5 importers	**23,386**	**22,574**	**4**	**35,788**
Total US corn export sales	**33,969**	**31,997**	**6**	**50,460**
% of Projected	69%	63%		
Change from Last Week	1,081	761		
Top 5 importers' share of U.S. corn export sales	69%	71%		
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 02/24/11	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	24,644	21,835	13	22,454
Mexico	2,265	2,083	9	3,276
Japan	1,807	1,779	2	2,347
EU-25	2,521	2,532	(0.4)	2,647
Taiwan	1,106	1,228	(10)	1,556
Top 5 importers	**32,343**	**29,457**	**10**	**32,280**
Total US soybean export sales	**39,398**	**35,827**	**10**	**40,850**
% of Projected	91%	88%		
Change from last week	362	183		
Top 5 importers' share of U.S. soybean export sales	82%	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.

[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 02/24/2011	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	2,975	3,022	(2)	3,233
Japan	3,235	2,622	23	3,148
Mexico	2,540	1,778	43	1,975
Philippines	1,864	1,560	19	1,518
Korea, South	1,535	1,042	47	1,111
Taiwan	822	667	23	844
Venezuela	623	547	14	658
Colombia	706	512	38	575
Peru	867	423	105	567
Egypt	3,419	456	650	529
Top 10 importers	**18,586**	**12,629**	**47**	**14,156**
Total US wheat export sales	**31,213**	**19,573**	**59**	**23,980**
% of Projected	88%	82%		
Change from last week	561	102		
Top 10 importers' share of U.S. wheat export sales	60%	65%		
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 03/03/11	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	148	230	64	2,212	1,966	112	100	111	11,062
Corn	200	52	382	1,217	1,440	84	81	70	9,950
Soybeans	59	381	16	1,906	2,569	74	68	75	10,191
Total	**407**	**663**	**61**	**5,334**	**5,975**	**89**	**82**	**85**	**31,203**
Mississippi Gulf									
Wheat	61	112	55	818	598	137	127	113	4,199
Corn	792	480	165	4,359	4,645	94	107	96	29,794
Soybeans	563	744	76	6,336	6,005	106	122	134	22,519
Total	**1,417**	**1,337**	**106**	**11,513**	**11,249**	**102**	**115**	**113**	**56,512**
Texas Gulf									
Wheat	350	162	216	2,494	1,440	173	142	197	9,339
Corn	57	0	n/a	193	376	51	39	36	1,859
Soybeans	11	116	9	637	647	98	86	113	1,916
Total	**418**	**278**	**150**	**3,324**	**2,463**	**135**	**114**	**144**	**13,115**
Great Lakes									
Wheat	0	2	0	7	5	140	183	94	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	**0**	**2**	0	**7**	**5**	**140**	**183**	**84**	**2,672**
Atlantic									
Wheat	1	3	59	270	48	563	17,414	171	343
Corn	4	0	n/a	57	82	69	51	43	469
Soybeans	11	45	25	273	497	55	44	69	1,417
Total	**16**	**47**	**35**	**600**	**628**	**96**	**69**	**79**	**2,229**
U.S. total from ports[2]									
Wheat	560	509	110	5,801	4,057	143	125	143	26,839
Corn	1,053	533	198	5,826	6,544	89	96	85	42,192
Soybeans	644	1,286	50	9,152	9,719	94	99	112	36,699
Total	**2,258**	**2,328**	**97**	**20,778**	**20,319**	**102**	**104**	**107**	**105,730**

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

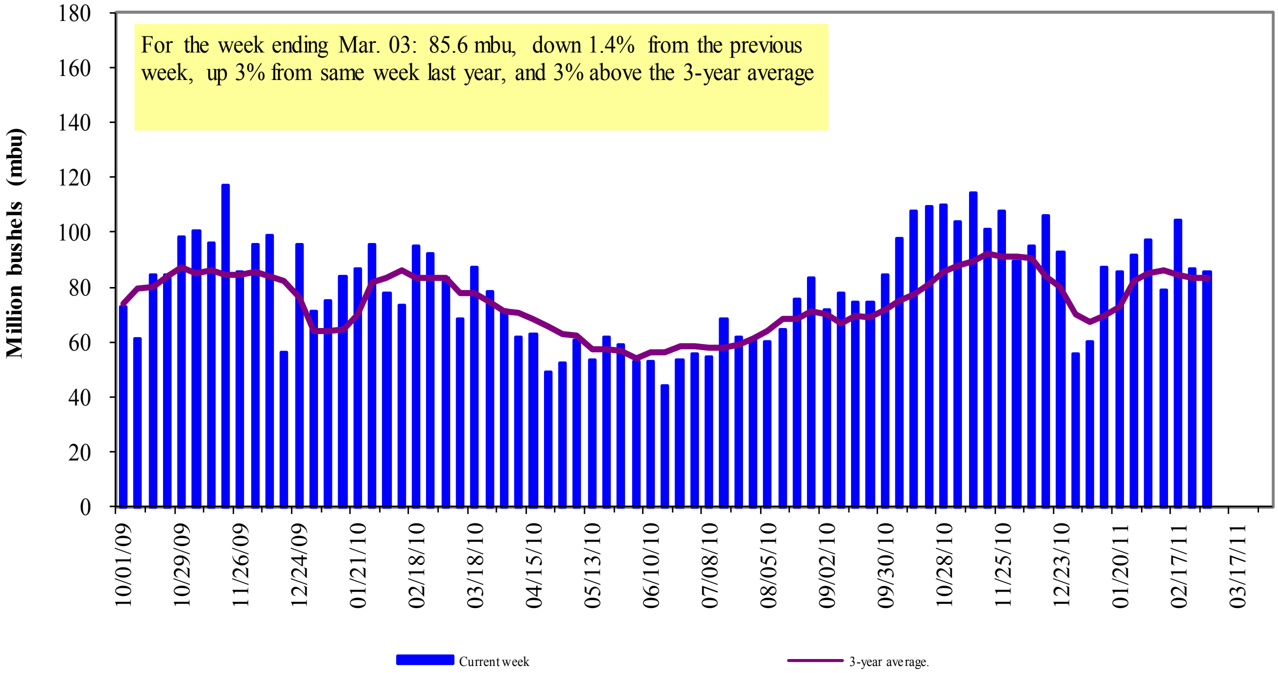
[2] Total includes only port regions shown above

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)

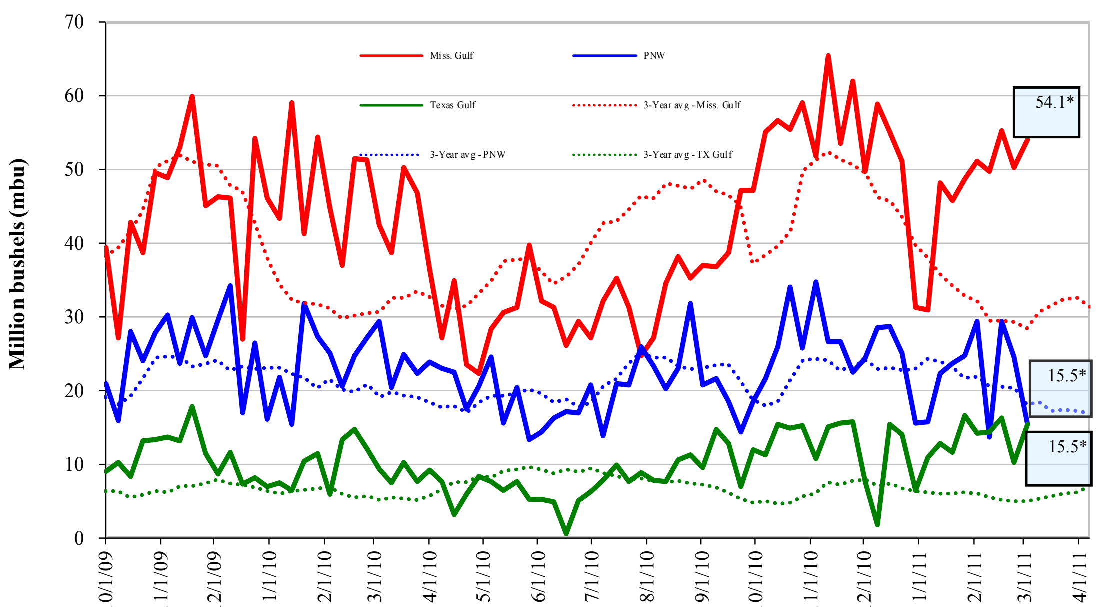


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

Mar. 03 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 7.4	up 52	up 15	down 37
Last year (same week)	up 27	up 65	up 34	down 47
3-yr avg. (4-wk mov. avg.)	up 16	up 57	up 23	down 45

Ocean Transportation

Table 17

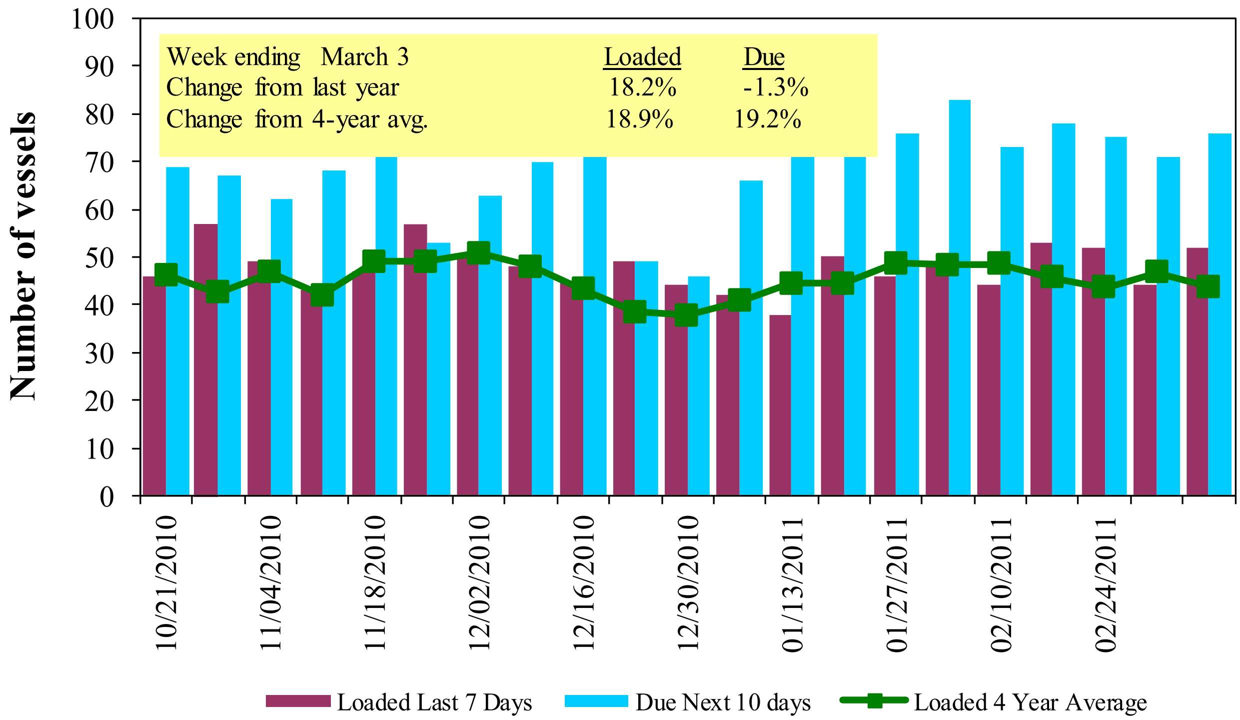
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
3/3/2011	65	52	76	20	12
2/24/2011	63	44	71	19	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. Gulf[1] Vessel Loading Activity

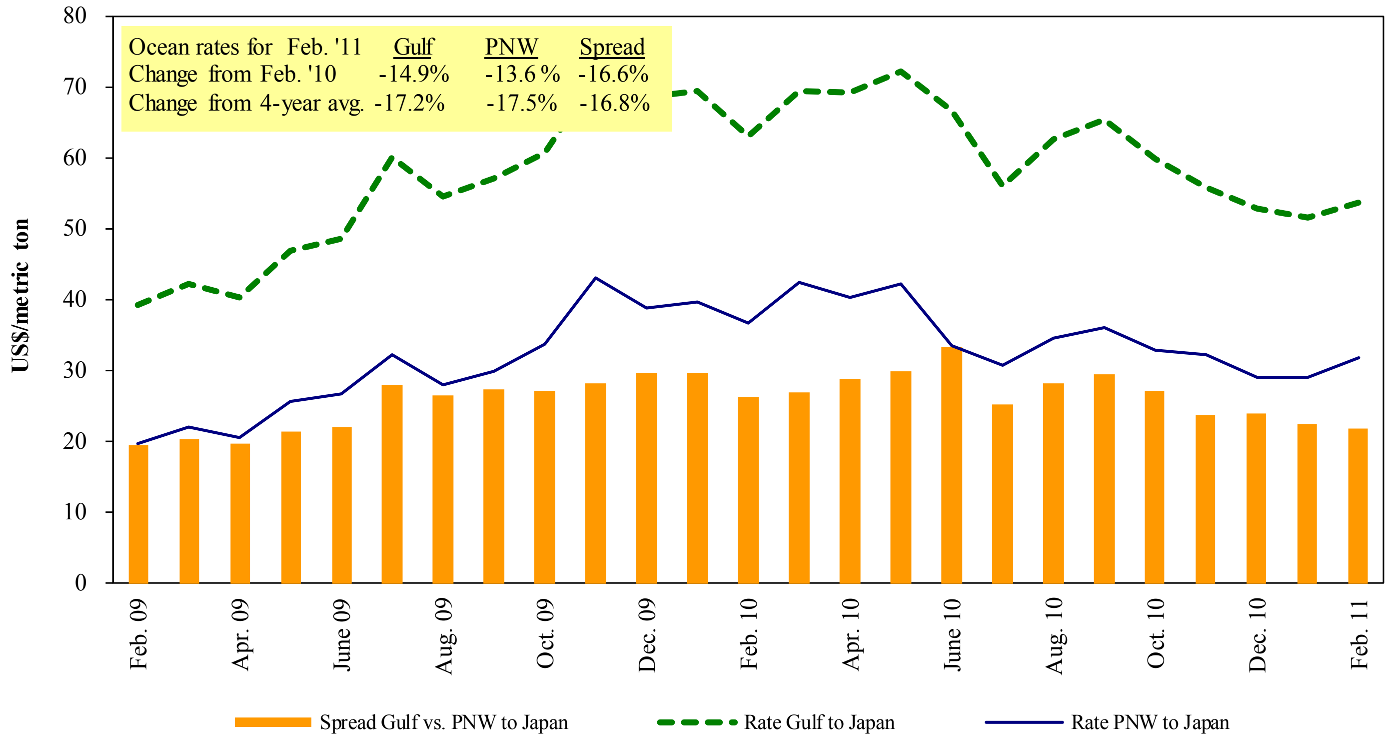


Source:Transportation & Marketing Programs/AMS/USDA

[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 3/05/2011

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

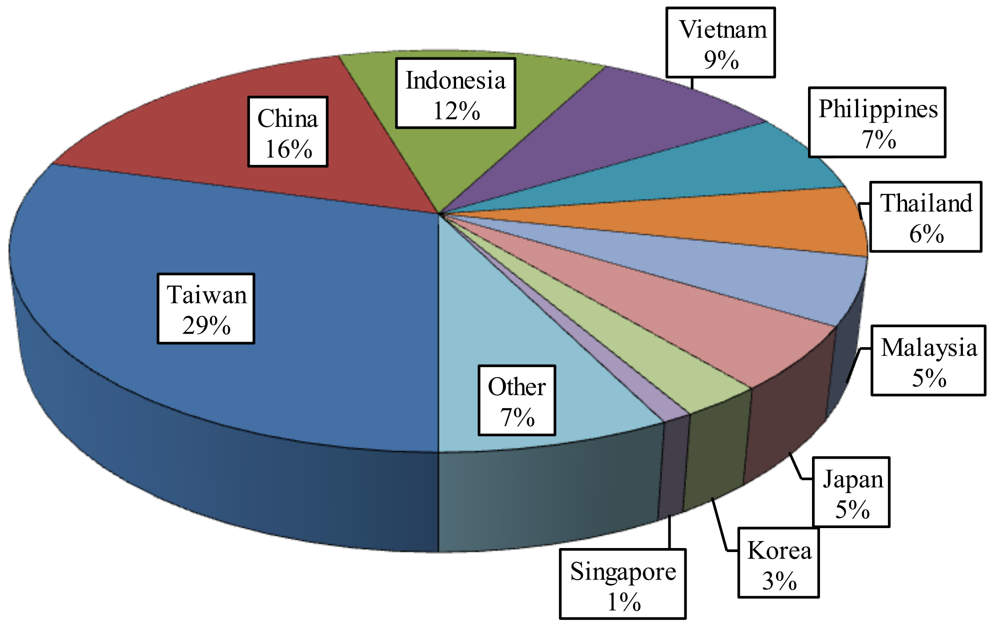
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 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

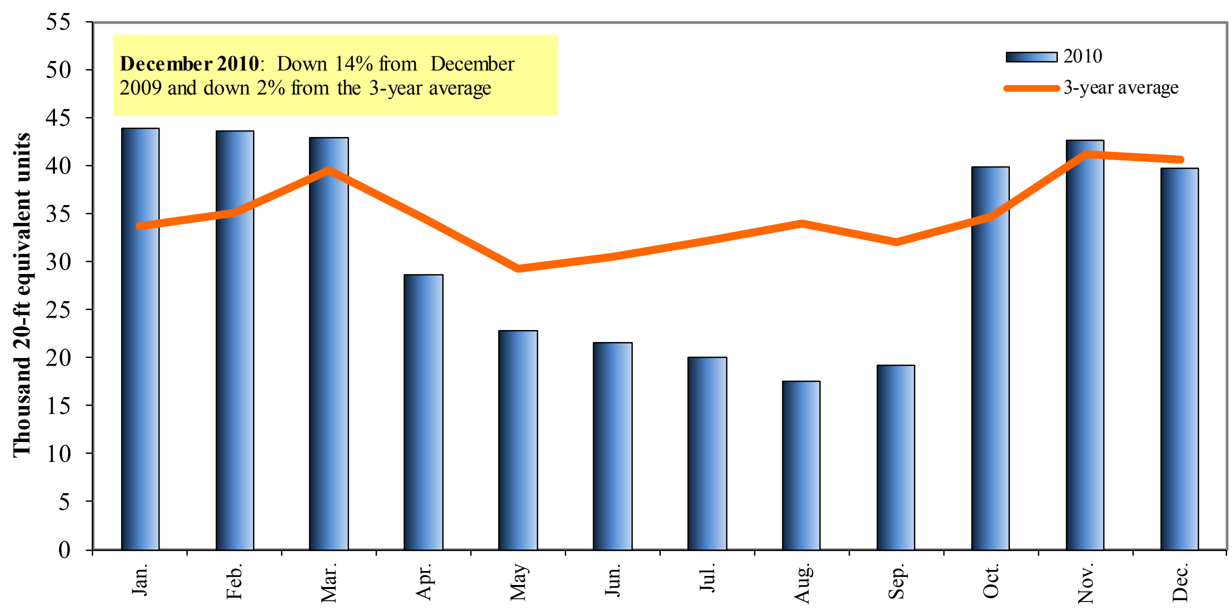


Source: Port Import Export Reporting Service (PIERS)

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**.

Contacts and Links

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 694 - 3050
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 694 - 2503
Weekly Highlight Editors		
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 694 - 2504
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 694 - 3050
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 694 - 3050
Rail Transportation		
Marvin Prater	marvin.prater@ams.usda.gov	(202) 694 - 3051
Johnny Hill	johnny.hill@ams.usda.gov	(202) 694 - 2506
Barge Transportation		
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 694 - 2508
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) 694 - 2506
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 694 - 2504
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 694 - 3050
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)*.