United States Department of Agriculture

Grain Transportation Report

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

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Mar. 13, 2014

Contents

The next release is Mar. 20, 2014

WEEKLY HIGHLIGHTS

Panama Canal Authority and the Consortium Resolve Dispute

On March 7, at the International LP Gas Seminar in Tokyo, Silva de Marucci, Marketing and Forecasting Manager, announced that the Panama Canal Authority (ACP) has reached an agreement with GUPC, the contractor consortium led by Spain's Sacy. ACP intends to sign the final agreement within a week. This is a followup to the preliminary agreement made on February 27. However, several weeks of delays have pushed the expected operational date for the new canal to January 2016. This is about 6 months later than the previously scheduled June 2015 completion date. According to ACP, "the price of the contract remains the same and is not modified by this agreement."

Grain Inspections Remain Above 3-Year Average

For the week ending March 6, **total inspections of grain** (corn, wheat, and soybeans) for export from all major port regions reached 2.41 million metric tons (mmt), down 7 percent from the previous week, up 47 percent from last year and 6 percent above the 3-year average. Strong demand for U.S. grain has pushed weekly grain inspections above the 3-year average since January 30 (figure 14). Total corn (.914 mmt) and wheat (.428 mmt) inspections receded from the previous week, but soybean inspections (1.07 mmt) increased 12 percent, as shipments to Asia remained strong. Soybean inspections accounted for 58 percent of total grain inspected in the Pacific Northwest. Outstanding export sales (unshipped) of grain increased for corn but decreased for wheat and soybeans.

Hanjin Decides to Maintain Container Service Through the Port of Portland

After several months of debate, Hanjin Shipping Company announced on March 10 that it will maintain container service through the Port of Portland, OR. At the end of 2013, Hanjin threatened to discontinue service through Portland due to what it and many agricultural exporters called reduced terminal productivity and efficiency. Hanjin reports in a notice to its customers that it will continue to work with the Port of Portland and the terminal operator on "maintaining the required service quality through improved terminal productivity." Additionally, the ocean carrier will be periodically monitoring the situation to ensure minimal standards are maintained for service sustainability.

Snapshots by Sector

Rail

U.S. railroads originated 19,746 **carloads of grain** during the week ending March 1, down 11 percent from last week, up 14 percent from last year, and 3 percent lower than the 3-year average.

During the week ending March 6, average March non-shuttle **secondary railcar bids/offers per car** were $1,200 above tariff, up $75 from last week and $1,207 higher than last year. Average shuttle secondary railcar bids/offers per car were $2,688 above tariff, up $954 from last week, and $2,719 higher than last year.

Barge

During the week ending March 8, **barge grain movements** totaled 522,239 tons—18.4 percent lower than the previous week and 6.8 percent lower than the same period last year.

During the week ending March 8, 339 grain barges **moved down river**, down 13 percent from last week; 691 grain barges were **unloaded in New Orleans**, down 1.7 percent from the previous week.

Ocean

During the week ending March 6, 43 **ocean-going grain vessels** were loaded in the Gulf, 6 percent more than the same period last year. Sixty-five vessels are expected to be loaded within the next 10 days, 63 percent more than the same period last year.

During the week ending March 7, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $52 per mt, down 2 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was $28 per mt, unchanged from the previous week.

Fuel

During the week ending March 10, U.S. average **diesel fuel prices** were unchanged from the previous week at $4.02 per gallon—down 7 cents from with the same week last year.

Containerized Grain Exports

Containerized grain exports to Asia in December reached more than 71,600 TEU 78 percent higher than the previous year, 73 percent higher than the 4-year average, but 1.2 percent lower than November movements.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* March 13, 2014.
Web: http://dx.doi.org/10.9752/TS056.03-13-2014

Feature Article/Calendar

Farm Prices Declined, Mexico Imported More Corn

Mexico imported more U. S. corn during the 4th quarter of 2013 than the same period a year earlier as farm prices fell. It imported about 2.8 million metric tons (mmt) of corn between October and December—150 percent more than the same period a year ago. Although farm prices fell, the total value of the corn imports, at $653.17 million, is 78 percent greater than last year because of a significant increase in the amount of corn imported. The transportation costs of shipping grain to Mexico generally increased during the quarter.

The cost of transporting seaborne corn, soybeans, and wheat to Veracruz, Mexico, increased 20, 20, and 25 percent, respectively, during the quarter (see table). The cost of transporting corn and soybeans by land to Guadalajara increased 1 percent, but the cost of transporting wheat decreased 8 percent during the quarter. The cost of shipping through the water route was pushed up mainly by increases in the barge rates caused by seasonal increases in the demand for barge services during the harvest season, which is typical when comparing fourth quarter to third quarter barge rates. The cost of transporting corn and soybeans by the land route increased because of higher truck and rail tariff rates during the quarter.

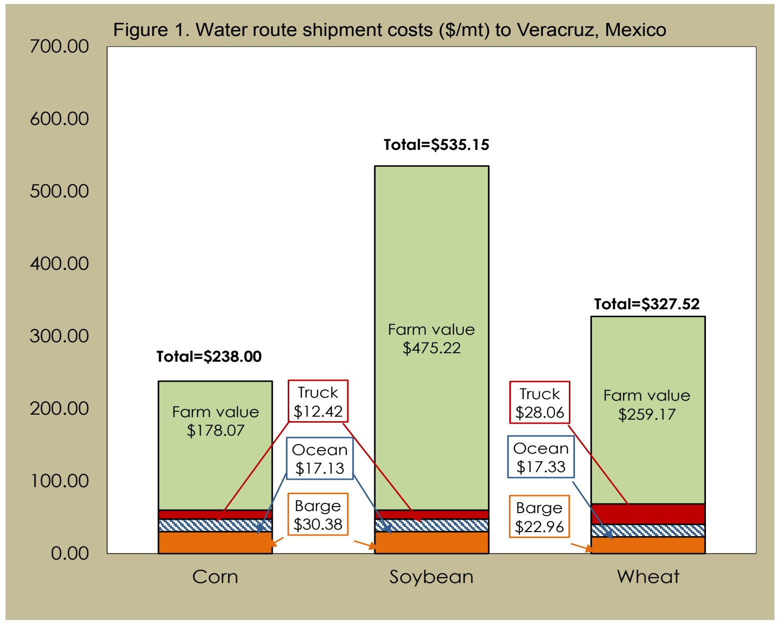
Quarterly costs of transporting U.S. grain to Guadalajara, Mexico

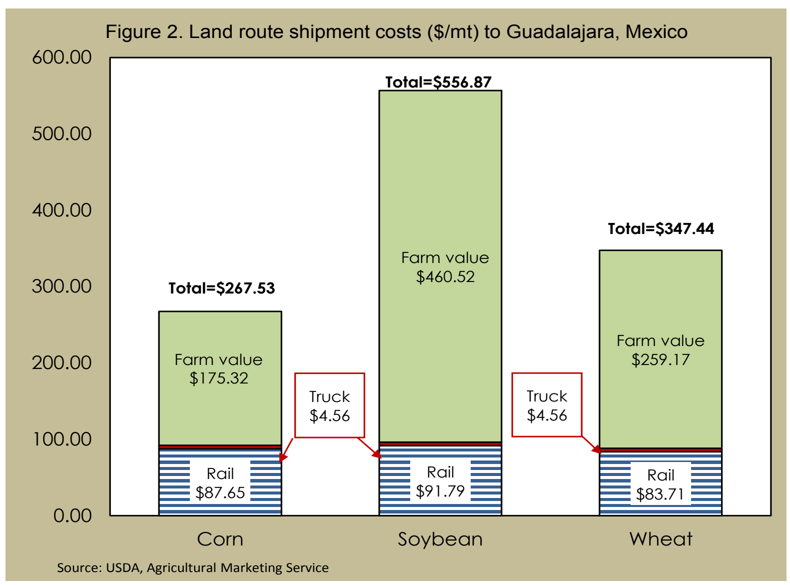
	Water route (to Veracruz) $/metric ton					Land route (to Guadalajara) $/metric ton				
	2012 4th qtr.	2013 3rd qtr.	2013 4th qtr.	Percent change Yr. to Yr.	Qtr. to Qtr	2012 4th qtr.	2013 3rd qtr.	2013 4th qtr.	Percent change Yr. to Yr.	Qtr. to Qtr.
Corn										
Origin			IL					IA		
Truck	10.86	13.38	12.42	14.4	-7.2	3.47	4.46	4.56	31.4	2.2
Rail [1]						87.65	86.52	87.65	0.0	1.3
Ocean[2]	16.73	17.85	17.13	2.4	-4.0					
Barge	29.26	18.77	30.38	3.8	61.9					
Total transportation cost	56.85	50.00	59.93	5.4	19.9	91.12	90.98	92.21	1.2	1.4
Farm Value	271.51	237.13	178.07	-34.4	-24.9	272.43	247.89	175.32	-35.6	-29.3
Landed Cost	328.36	287.13	238.00	-27.5	-17.1	363.55	338.87	267.53	-26.4	-21.1
Transport % of landed cost	17	17	25			25	27	34		
Soybeans										
Origin			IL					NE		
Truck	10.86	13.38	12.42	14.4	-7.2	3.47	4.46	4.56	31.4	2.2
Rail [1]						91.79	90.69	91.79	0.0	1.2
Ocean[2]	16.73	17.85	17.13	2.4	-4.0					
Barge	29.26	18.77	30.38	3.8	61.9					
Total transportation cost	56.85	50.00	59.93	5.4	19.9	95.26	95.15	96.35	1.1	1.3
Farm Value	531.56	529.11	475.22	-10.6	-10.2	516.86	509.51	460.52	-10.9	-9.6
Landed Cost	588.41	579.11	535.15	-9.1	-7.6	612.12	604.66	556.87	-9.0	-7.9
Transport % of landed cost	10	9	11			16	16	17		
Wheat										
Origin			KS					KS		
Truck*	26.85	22.50	28.06	4.5	24.7	3.47	4.46	4.56	31.4	2.2
Rail [1]						83.71	91.42	83.71	0.0	-8.4
Ocean[2]	16.73	17.85	17.33	3.6	-2.9					
Barge	23.79	14.47	22.96	-3.5	58.7					
Total transportation cost	67.37	54.82	68.35	1.5	24.7	87.18	95.88	88.27	1.3	-7.9
Farm Value	309.26	255.61	259.17	-16.2	1.4	309.26	255.61	259.17	-16.2	1.4
Landed Cost	376.63	310.43	327.52	-13.0	5.5	396.44	351.49	347.44	-12.4	-1.2
Transport % of landed cost	18	18	21			22	27	25		

[1]Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are estimated based on actual quoted market rates. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains. Rail rates include fuel surcharges. Origins are modified from past tables. Rail rates for water route were revised from previous estimates

[2]Source: O'Neil Commodity Consulting

Year-to-year transportation costs also increased for all grains and across all routes. With the exception of declining barge rates for seaborne wheat, the rates increased for all modes of transportation for all grains. As grain prices declined and transportation costs increased, the transportation share of the landed cost increased for both water and land routes. The transportation share of landed costs ranged from 11 to 25 percent for the water route and 17 to 34 percent for the land route. The landed costs ranged from $238.00 to $535.15 per metric ton (mt) for the water route (figure 1) and $267.53 to $556.87 for the land route (figure 2).





Market Outlook: Although Mexico imported less grain from the United States during 2013 than 2012, Mexico imported more corn and soybeans during the fourth quarter of 2013 than the same period a year earlier. Mexico imported 150 and 16 percent more corn and soybeans, respectively, than the same period a year ago. While the value of corn imports increased by 78 percent, soybean value decreased by 1 percent. With an increase in production during the current crop year, corn and soybean farm prices were significantly lower than last year's drought-impacted crop. Mexico also imported less wheat than last year.

In addition to reductions in planted areas, damages caused by adverse weather are expected to reduce Mexico's corn and wheat production estimates for the marketing year (MY) 2013/14. The Foreign Agriculture Service's latest estimate revised Mexico's corn production downward to 21.5 million metric tons (mmt) from 21.7 mmt (**USDA, FAS *GAIN Report # MX4009***). The new total corn import forecast for Mexico during MY 2013/14 has been revised upward to 11.2 mmt (**USDA, FAS *GAIN Report # MX4009***). With the current lower grain prices, a moderate transportation cost could boost U.S. competitiveness and encourage more U.S. exports overseas.
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Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
Week ending		Unit Train	Shuttle		Gulf	Pacific
03/12/14	270	305	329	347	233	199
03/05/14	270	301	288	344	237	199

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

Source: Transportation & Marketing Programs/AMS/USDA

*No quote for Illinois River as ice accumulation severely limited barge operations.

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

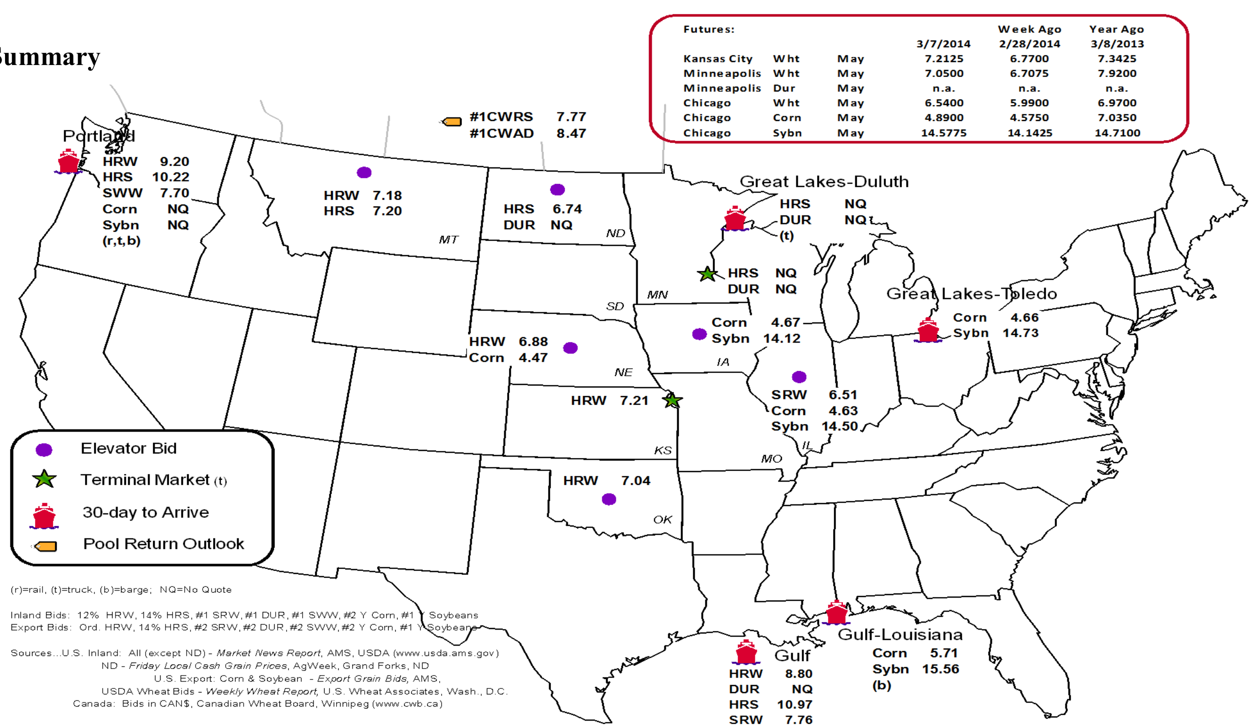
Commodity	Origin--Destination	3/7/2014	2/28/2014
Corn	IL--Gulf	-1.08	-1.13
Corn	NE--Gulf	-1.24	-1.24
Soybean	IA--Gulf	-1.44	-1.44
HRW	KS--Gulf	-1.59	-1.77
HRS	ND--Portland	-3.48	-2.85

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	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
3/05/2014[p]	1,342	1,040	3,791	760	6,933	2/29/2014	1,654
2/26/2014[r]	1,102	1,792	5,534	1,334	9,762	02/22/14	1,437
2014 YTD[r]	12,503	15,393	52,618	8,718	89,232	2014 YTD	14,761
2013 YTD[r]	7,433	7,862	42,812	7,195	65,302	2013 YTD	9,713
2014 YTD as % of 2013 YTD	168	196	123	121	137	% change YTD	152
Last 4 weeks as % of 2013[2]	454	154	116	149	141	Last 4wks % 2013	158
Last 4 weeks as % of 4-year avg.[2]	222	108	121	129	128	Last 4wks % 4 yr	108
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	70,298
Total 2012	22,604	40,780	199,419	24,659	287,462	Total 2012	92,008

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2013 and prior 4-year average.

[3] Cross- border weekly data is aproximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

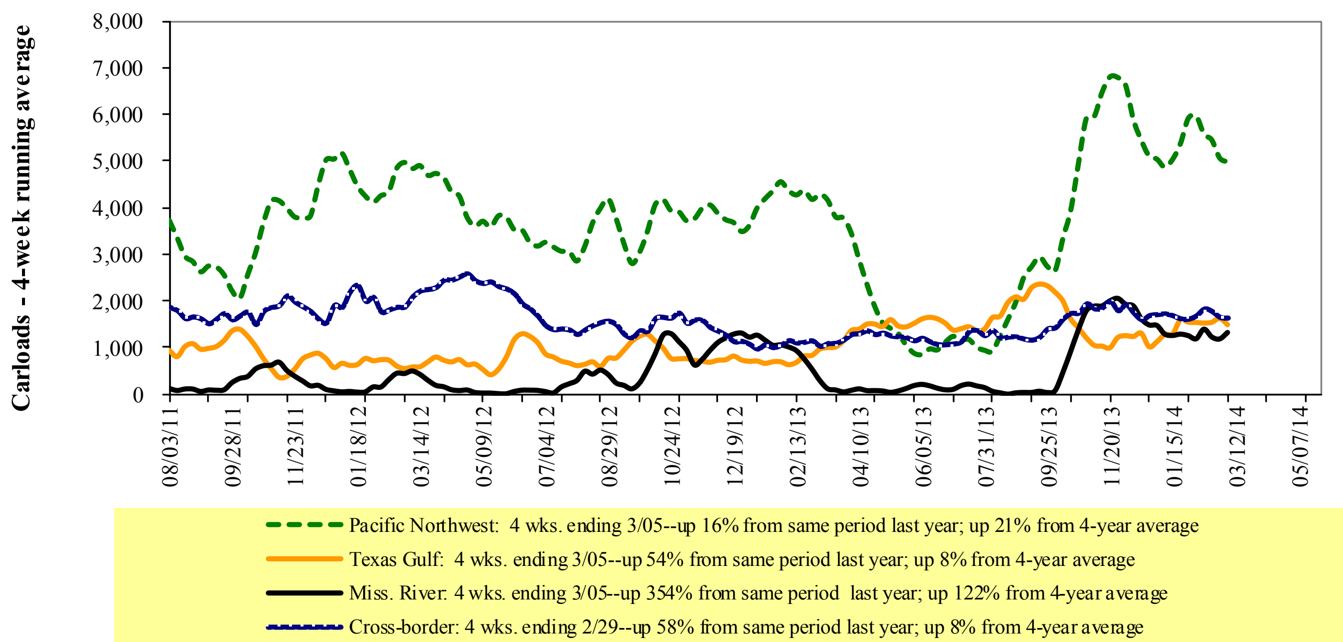
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 29 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)

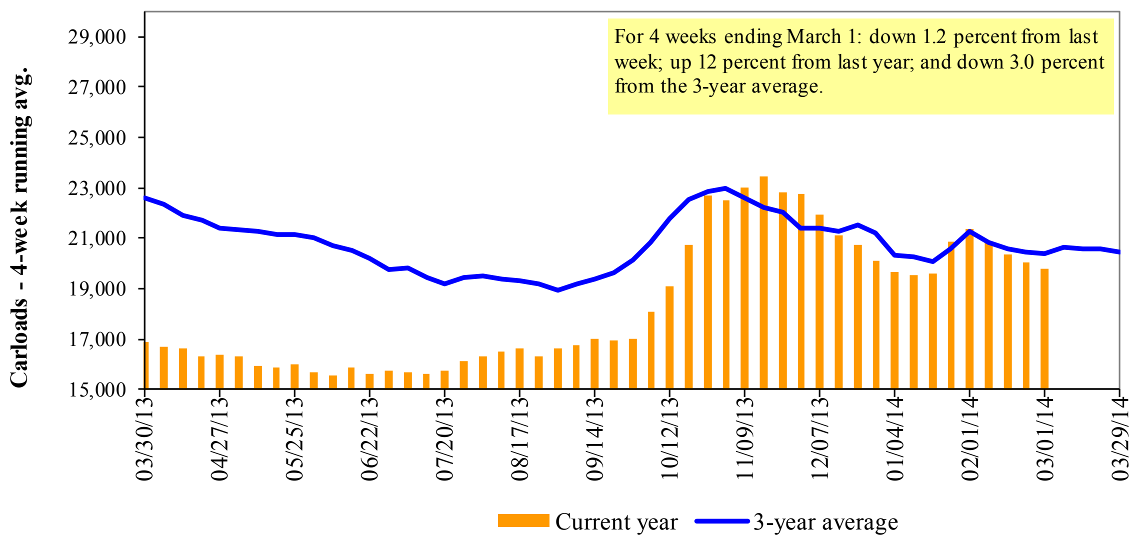
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
03/01/14	1,769	3,143	8,655	918	5,261	19,746	3,878	4,500
This week last year	1,394	2,526	9,493	392	3,484	17,289	3,084	5,371
2014 YTD	18,284	26,699	77,106	9,147	52,167	183,403	34,038	42,541
2013 YTD	14,292	24,027	85,871	4,440	33,851	162,481	32,442	47,800
2014 YTD as % of 2013 YTD	128	111	90	206	154	113	105	89
Last 4 weeks as % of 2013	119	110	92	251	145	112	113	97
Last 4 weeks as % of 3-yr avg.[1]	97	99	83	214	109	96	101	99
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

[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							
3/6/2014	**Mar-14**	**Mar-13**	**Apr-14**	**Apr-13**	**May-14**	**May-13**	**Jun-14**	**Jun-13**
BNSF[3]								
COT grain units	no offer	no bids	no offer	no bids	no offer	no bids	no offer	no bids
COT grain single-car[5]	no offer	0 . . 10	no offer	3 . . 10	no offer	0	no offer	no bids
UP[4]								
GCAS/Region 1	no offer	no bids	no offer	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no offer	no bids	no offer	no bids	14	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.

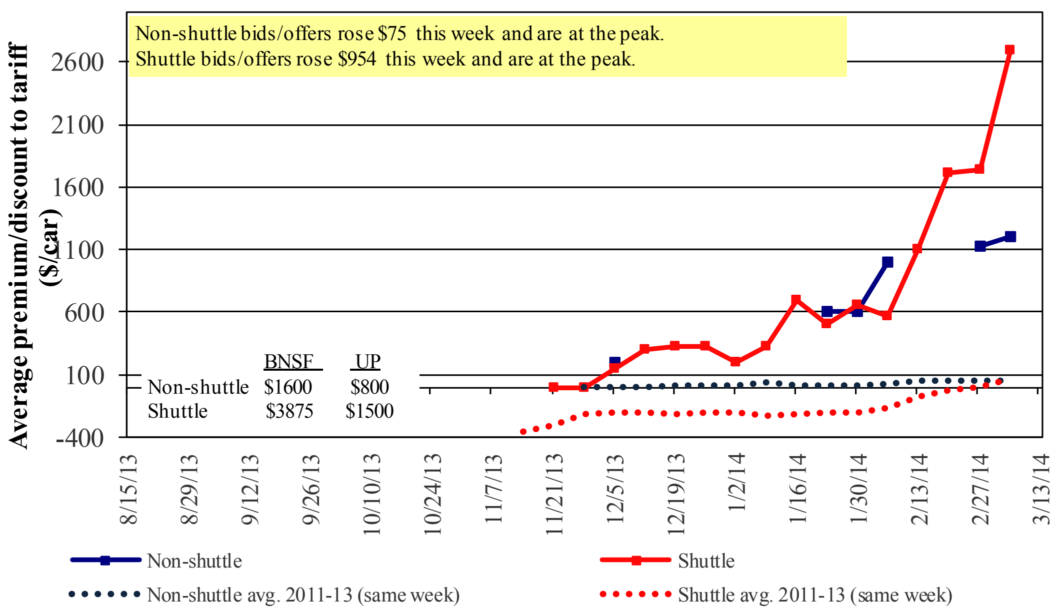
[5]Range is shown because average is not available. Not available = n/a.

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 2014, Secondary Market

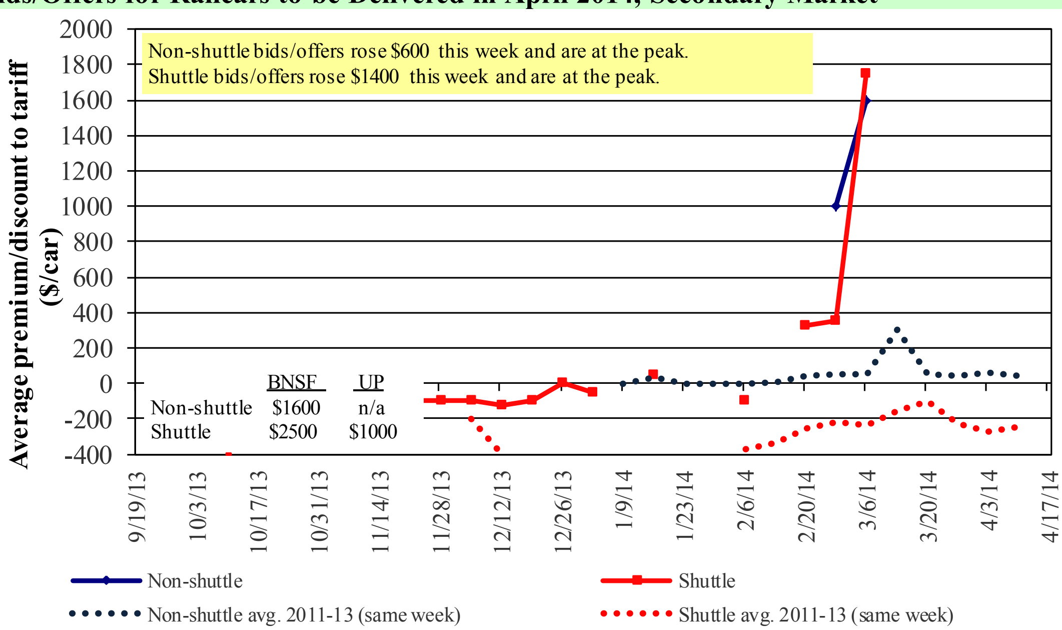


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in April 2014, Secondary Market

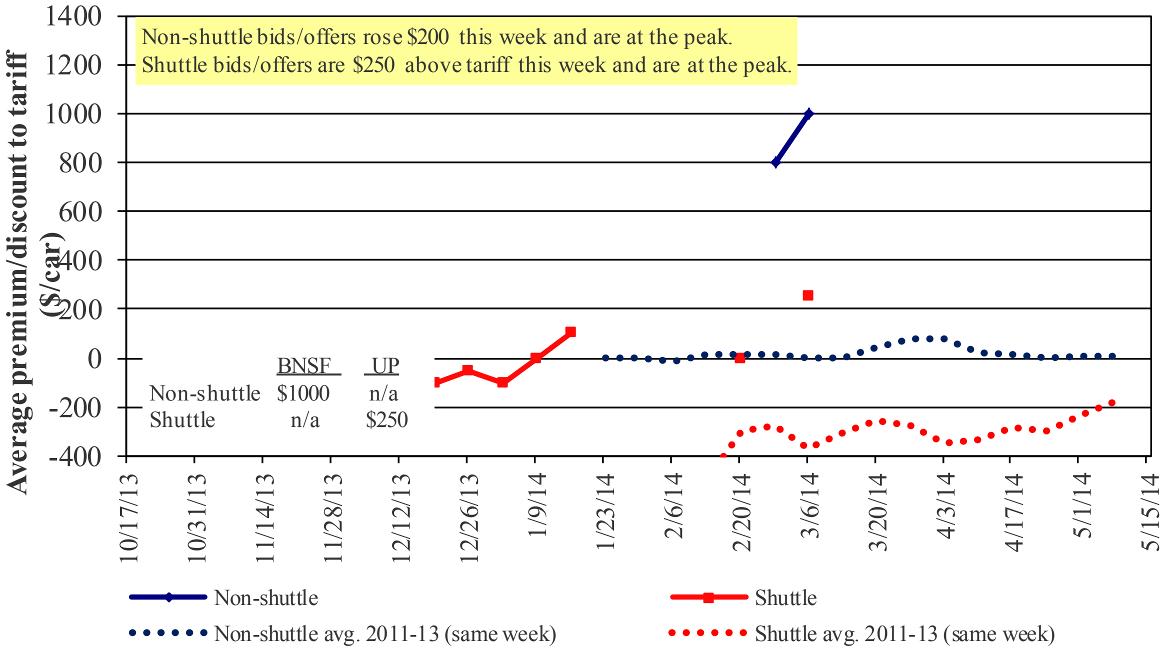


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in May 2014, 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					
3/6/2014	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Non-shuttle						
BNSF-GF	1,600	1,600	1,000	n/a	n/a	n/a
Change from last week	-	600	200	n/a	n/a	n/a
Change from same week 2013	1,613	1,600	n/a	n/a	n/a	n/a
UP-Pool	800	n/a	n/a	n/a	n/a	n/a
Change from last week	150	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	800	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	3,875	2,500	n/a	n/a	n/a	n/a
Change from last week	1,158	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	3,900	n/a	n/a	n/a	n/a	n/a
UP-Pool	1,500	1,000	250	n/a	200	n/a
Change from last week	750	650	n/a	n/a	n/a	n/a
Change from same week 2013	1,538	1,138	400	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 James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 3/1/2014	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	$3,191	$182	$33.50	$0.91	1
	Grand Forks, ND	Duluth-Superior, MN	$3,596	$104	$36.75	$1.00	1
	Wichita, KS	Los Angeles, CA	$6,244	$536	$67.32	$1.83	3
	Wichita, KS	New Orleans, LA	$3,808	$320	$41.00	$1.12	4
	Sioux Falls, SD	Galveston-Houston, TX	$5,824	$440	$62.20	$1.69	4
	Northwest KS	Galveston-Houston, TX	$4,076	$351	$43.96	$1.20	4
	Amarillo, TX	Los Angeles, CA	$4,275	$489	$47.30	$1.29	3
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,192	$362	$35.29	$0.90	2
	Toledo, OH	Raleigh, NC	$4,686	$416	$50.66	$1.29	4
	Des Moines, IA	Davenport, IA	$2,078	$77	$21.40	$0.54	3
	Indianapolis, IN	Atlanta, GA	$4,061	$312	$43.43	$1.10	3
	Indianapolis, IN	Knoxville, TN	$3,469	$200	$36.44	$0.93	3
	Des Moines, IA	Little Rock, AR	$3,218	$225	$34.19	$0.87	2
	Des Moines, IA	Los Angeles, CA	$5,215	$656	$58.30	$1.48	2
Soybeans	Minneapolis, MN	New Orleans, LA	$3,529	$402	$39.04	$1.06	-1
	Toledo, OH	Huntsville, AL	$3,687	$295	$39.55	$1.08	3
	Indianapolis, IN	Raleigh, NC	$4,756	$419	$51.39	$1.40	4
	Indianapolis, IN	Huntsville, AL	$3,379	$200	$35.54	$0.97	3
	Champaign-Urbana, IL	New Orleans, LA	$3,748	$362	$40.82	$1.11	3
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,678	$308	$39.58	$1.08	2
	Wichita, KS	Galveston-Houston, TX	$3,798	$240	$40.10	$1.09	4
	Chicago, IL	Albany, NY	$3,950	$390	$43.10	$1.17	4
	Grand Forks, ND	Portland, OR	$5,159	$532	$56.51	$1.54	1
	Grand Forks, ND	Galveston-Houston, TX	$6,084	$554	$65.92	$1.79	0
	Northwest KS	Portland, OR	$5,043	$576	$55.80	$1.52	3
Corn	Minneapolis, MN	Portland, OR	$5,000	$648	$56.09	$1.42	3
	Sioux Falls, SD	Tacoma, WA	$4,960	$593	$55.15	$1.40	3
	Champaign-Urbana, IL	New Orleans, LA	$3,011	$362	$33.50	$0.85	2
	Lincoln, NE	Galveston-Houston, TX	$3,510	$346	$38.29	$0.97	5
	Des Moines, IA	Amarillo, TX	$3,590	$283	$38.46	$0.98	2
	Minneapolis, MN	Tacoma, WA	$5,000	$643	$56.03	$1.42	3
	Council Bluffs, IA	Stockton, CA	$4,400	$665	$50.29	$1.28	4
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,520	$593	$60.71	$1.65	3
	Minneapolis, MN	Portland, OR	$5,530	$648	$61.35	$1.67	3
	Fargo, ND	Tacoma, WA	$5,430	$527	$59.16	$1.61	3
	Council Bluffs, IA	New Orleans, LA	$4,175	$418	$45.61	$1.24	5
	Toledo, OH	Huntsville, AL	$2,862	$295	$31.35	$0.85	4
	Grand Island, NE	Portland, OR	$5,110	$589	$56.60	$1.54	-2

[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: 3/1/2014 Commodity	Origin state	Destination region	Tariff rate/car[1]	Fuel surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	bushel[3]	Percent change Y/Y[4]
Wheat	MT	Chihuahua, CI	$6,360	$563	$70.73	$1.92	1
	OK	Cuautitlan, EM	$6,156	$684	$69.88	$1.90	-6
	KS	Guadalajara, JA	$6,559	$660	$73.77	$2.01	-11
	TX	Salinas Victoria, NL	$2,898	$258	$32.24	$0.88	-17
Corn	IA	Guadalajara, JA	$7,974	$777	$89.41	$2.27	3
	SD	Celaya, GJ	$7,656	$736	$85.75	$2.18	-5
	NE	Queretaro, QA	$7,317	$690	$81.81	$2.08	2
	SD	Salinas Victoria, NL	$5,880	$560	$65.80	$1.67	3
	MO	Tlalnepantla, EM	$6,755	$670	$75.87	$1.93	2
	SD	Torreon, CU	$6,722	$617	$74.98	$1.90	3
Soybeans	MO	Bojay (Tula), HG	$7,868	$655	$87.08	$2.37	3
	NE	Guadalajara, JA	$8,447	$749	$93.96	$2.55	3
	IA	El Castillo, JA	$8,855	$732	$97.95	$2.66	3
	KS	Torreon, CU	$6,864	$465	$74.88	$2.04	3
Sorghum	TX	Guadalajara, JA	$6,953	$479	$75.94	$1.93	7
	NE	Celaya, GJ	$7,212	$669	$80.51	$2.04	3
	KS	Queretaro, QA	$6,650	$420	$72.24	$1.83	-2
	NE	Salinas Victoria, NL	$5,368	$492	$59.87	$1.52	-1
	NE	Torreon, CU	$6,243	$549	$69.40	$1.76	1

[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

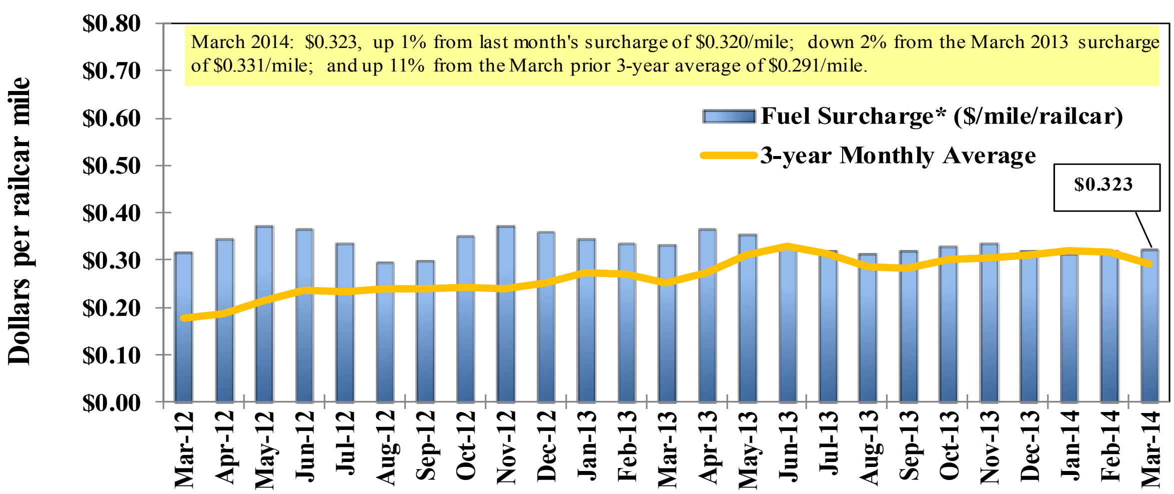
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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.

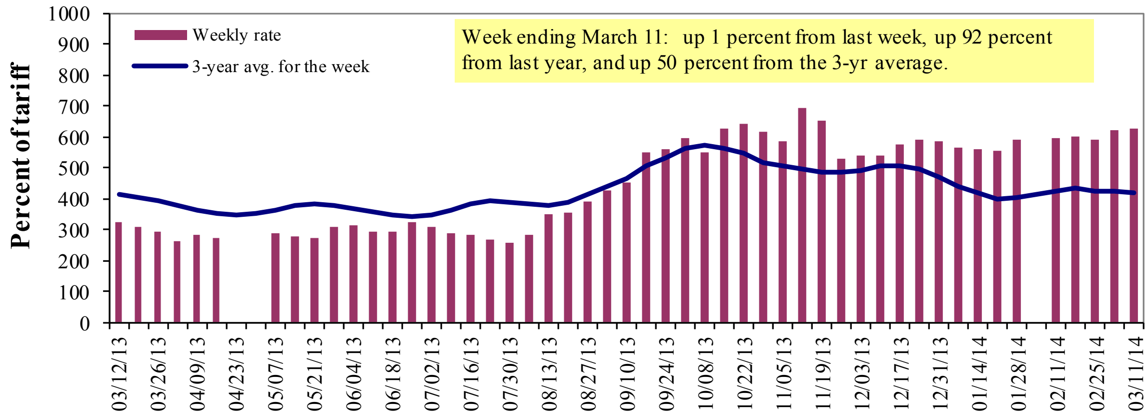
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]	3/11/2014	--	--	625	595	613	613	500
	3/4/2014	--	--	620	595	592	592	500
$/ton	3/11/2014	--	--	29.00	23.74	28.75	24.77	15.70
	3/4/2014	--	--	28.77	23.74	27.76	23.92	15.70
Current week % change from the same week:								
	Last year	--	--	92	138	174	174	170
	3-year avg. [2]	--	--	50	83	81	80	82
Rate[1]	April	563	568	505	425	475	475	375
	June	500	468	450	400	420	420	325

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds; No rates reported on Illinois River due to ice.

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

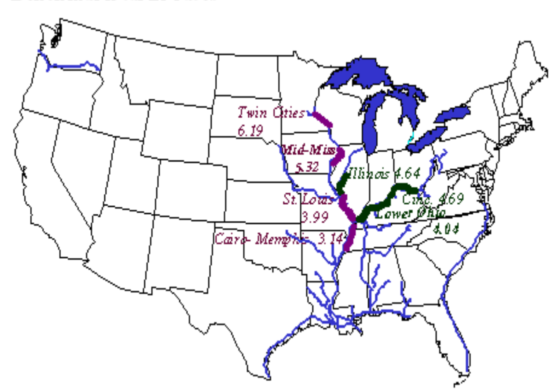
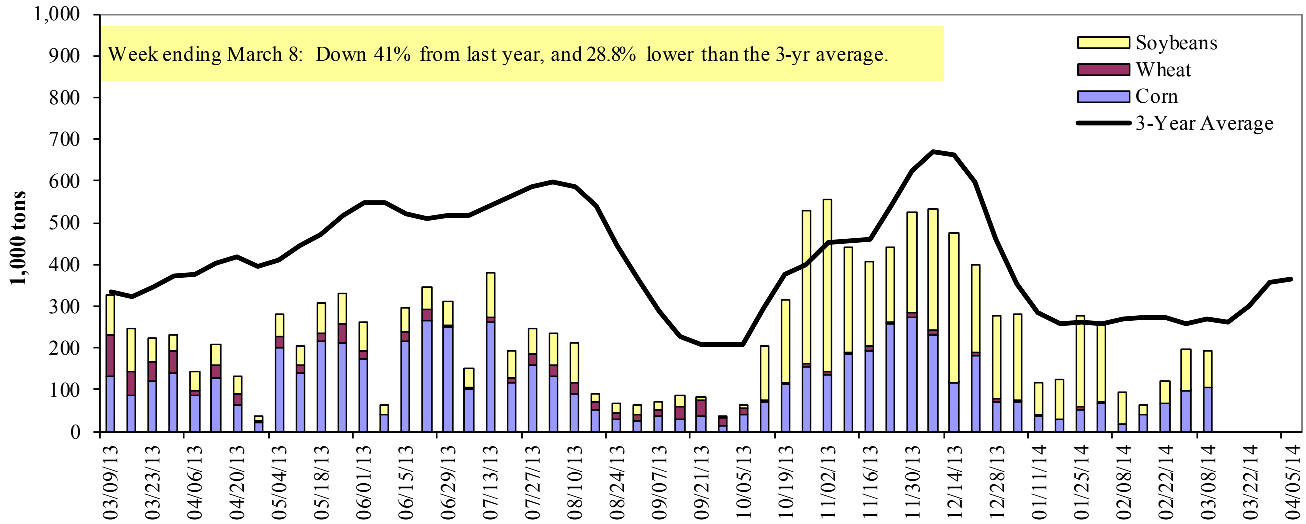


Figure 10

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 3/08/2014	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	3	0	6	0	9
Alton, IL (L26)	137	0	70	0	207
Granite City, IL (L27)	105	0	87	0	193
Illinois River (L8)	108	0	36	0	143
Ohio River (L52)	217	7	53	0	278
Arkansas River (L1)	7	21	24	0	52
Weekly total - 2014	330	28	164	0	522
Weekly total - 2013	218	159	180	4	560
2014 YTD[1]	2,487	208	3,004	39	5,738
2013 YTD	1,047	820	2,594	49	4,510
2014 as % of 2013 YTD	238	25	116	79	127
Last 4 weeks as % of 2013[2]	215	20	123	54	124
Total 2013	9,504	4,111	10,065	255	23,935

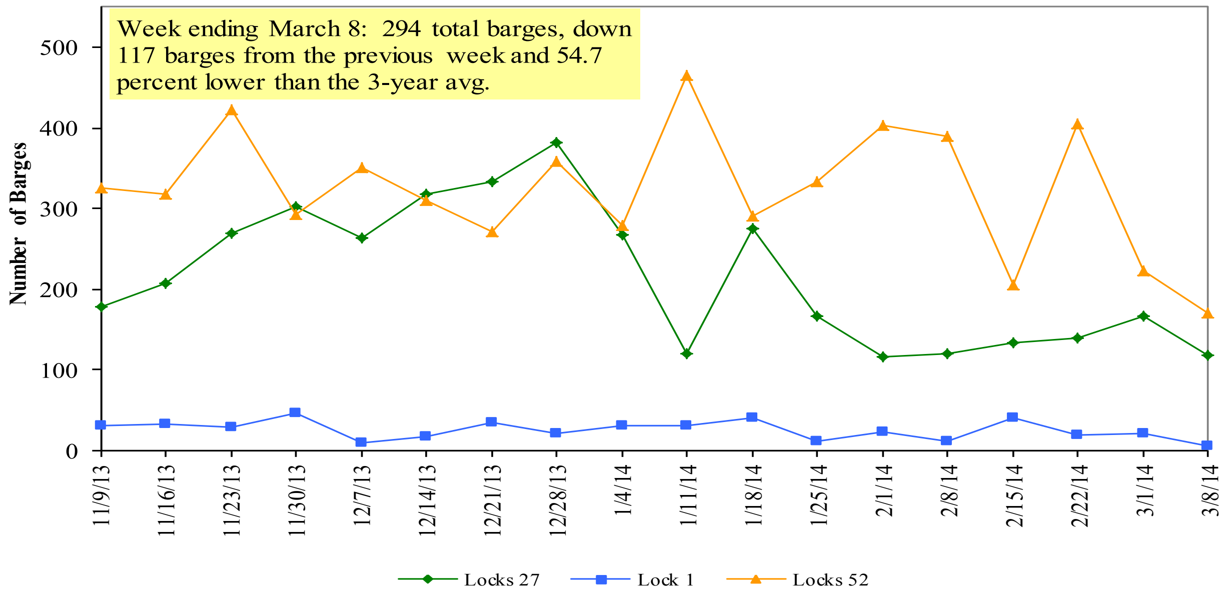
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[2] As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding
Source: U.S. Army Corps of Engineers

Figure 11

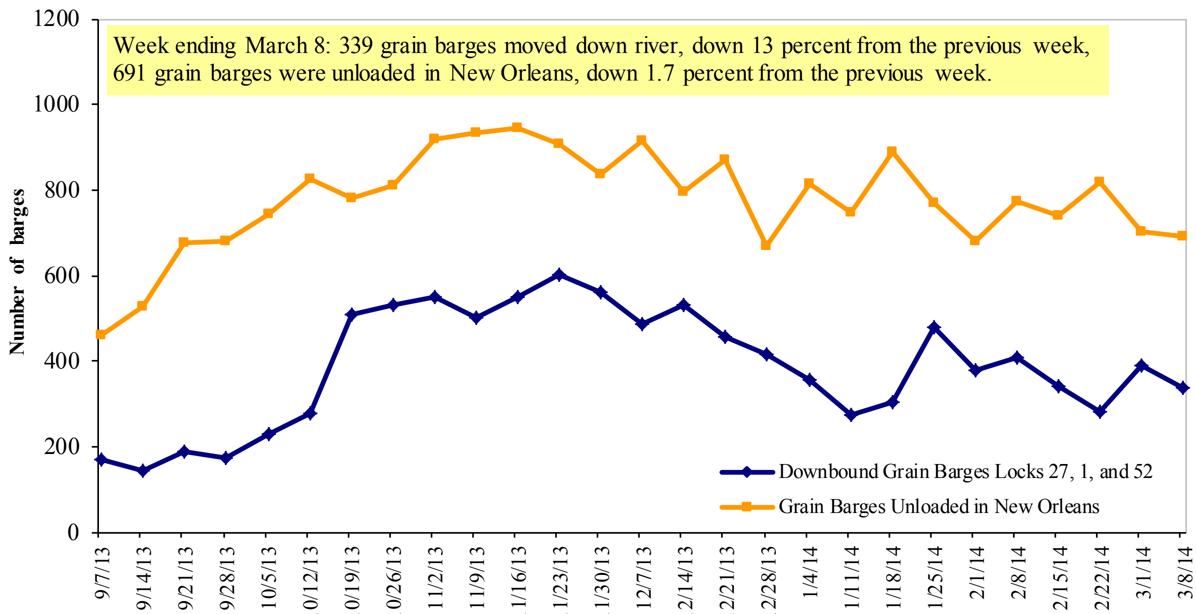
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 3/10/2013 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.158	0.003	0.038
	New England	4.362	-0.027	0.119
	Central Atlantic	4.353	-0.001	0.182
	Lower Atlantic	3.974	0.012	-0.084
II	Midwest[2]	4.013	-0.006	-0.030
III	Gulf Coast[3]	3.814	0.021	-0.222
IV	Rocky Mountain	4.000	0.017	-0.010
V	West Coast	4.042	0.004	-0.185
	West Coast less California	3.960	0.017	-0.205
	California	4.112	-0.007	-0.168
Total	U.S.	4.021	0.005	-0.067

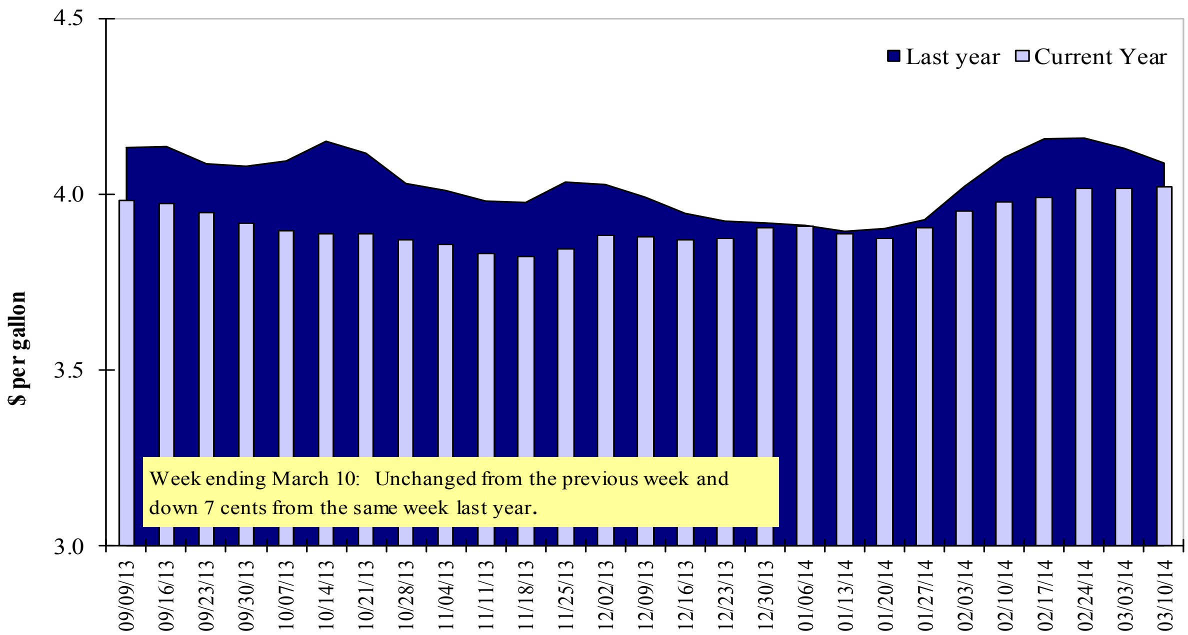
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
2/27/2014	1,770	984	1,660	1,032	163	5,608	19,201	6,984	31,793
This week year ago	1,685	1,681	1,163	726	111	5,366	5,059	3,933	14,358
Cumulative exports-marketing year[2]									
2013/14 YTD	8,997	6,242	4,461	3,019	311	23,029	18,390	37,182	78,601
2012/13 YTD	6,837	2,899	4,297	3,577	363	17,973	9,437	30,853	58,263
YTD 2013/14 as % of 2012/13	132	215	104	84	86	128	195	121	135
Last 4 wks as % of same period 2012/13	104	66	139	147	151	107	374	212	230
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254

[1] Current unshipped export sales to date

[2] Shipped export sales to date; new marketing year in 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 2/27/2014	Total Commitments[2] 2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
	- 1,000 mt -			- 1,000 mt -
Japan	8,178	4,870	68	7,000
Mexico	5,340	3,352	59	4,370
China	4,166	2,028	105	2,450
Venezuela	639	396	62	1,158
Taiwan	1,041	360	190	512
Top 5 Importers	**19,365**	**11,005**	**76**	**15,490**
Total US corn export sales	**37,592**	**14,496**	**159**	**18,670**
% of Projected	92%	78%		
Change from prior week	1,455	(50)		
Top 5 importers' share of U.S. corn export sales	52%	76%		83%
USDA forecast, February 2014	**40,712**	**18,601**	**119**	
Corn Use for Ethanol USDA forecast, February 2014	**127,000**	**118,059**	**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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[3]FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm (Carry-over plus Accumulated Exports)

Table 14

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

Week Ending 2/27/2014	Total Commitments[2] 2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
	- 1,000 mt -			- 1,000 mt -
China	27,833	21,306	31	21,522
Mexico	2,693	1,858	45	2,565
Japan	1,492	1,409	6	1,751
Indonesia	1,773	1,088	63	1,682
Taiwan	978	969	1	1,120
Top 5 importers	**34,768**	**26,631**	**31**	**28,641**
Total US soybean export sales	**44,166**	**34,785**	**27**	**37,060**
% of Projected	107%	97%		
Change from prior week	708	262		
Top 5 importers' share of U.S. soybean export sales	79%	77%		
USDA forecast, February 2014	**41,144**	**35,967**	**14**	

(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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

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

Week Ending 2/27/2014	Total Commitments[2] 2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
	- 1,000 mt -			- 1,000 mt -
Japan	2,613	3,151	(17)	3,544
Nigeria	2,397	2,574	(7)	3,002
Mexico	2,784	2,576	8	2,761
Philippines	1,769	1,789	(1)	1,965
Egypt	837	144	482	1,678
Korea	1,179	1,374	(14)	1,385
Taiwan	867	892	(3)	1,038
China	4,259	728	485	743
Brazil	3,881	122	3081	527
Colombia	720	530	36	600
Top 10 importers	**21,304**	**13,882**	**53**	**17,243**
Total US wheat export sales	**28,637**	**23,339**	**23**	**26,348**
% of Projected	89%	85%		
Change from prior week	556	618		
Top 10 importers' share of U.S. wheat export sales	74%	59%		65%
USDA forecast, February 2014	**32,016**	**27,439**	**17**	

(n) indicates negative number.

[1] Based on FAS 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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[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 03/06/14	Previous Week[1]	Current Week as % of Previous	2014 YTD[1]	2013 YTD[1]	2014 YTD as % of 2013 YTD	Last 4-weeks as % of 2013	Last 4-weeks as % of 3-yr. avg.	Total[1] 2013
Pacific Northwest									
Wheat	239	340	70	2,244	2,316	97	82	86	11,585
Corn	49	263	18	945	800	118	165	119	2,973
Soybeans	402	180	224	3,791	2,921	130	98	116	9,090
Total	**689**	**782**	**88**	**6,980**	**6,037**	**116**	**100**	**104**	**23,647**
Mississippi Gulf									
Wheat	47	60	78	743	1,648	45	35	56	9,711
Corn	745	654	114	5,028	1,849	272	283	137	14,828
Soybeans	507	589	86	8,468	5,846	145	175	142	21,462
Total	**1,298**	**1,304**	**100**	**14,239**	**9,343**	**152**	**168**	**131**	**46,002**
Texas Gulf									
Wheat	105	198	53	1,276	1,121	114	114	90	9,039
Corn	32	0	n/a	144	7	n/a	630	57	255
Soybeans	0	0	n/a	255	122	208	138	85	908
Total	**138**	**198**	**69**	**1,674**	**1,250**	**134**	**120**	**87**	**10,203**
Interior									
Wheat	37	19	194	226	184	123	165	111	1,244
Corn	88	105	84	1,028	443	232	146	91	3,943
Soybeans	108	75	143	973	895	109	316	113	3,212
Total	**233**	**200**	**117**	**2,227**	**1,523**	**146**	**191**	**101**	**8,399**
Great Lakes									
Wheat	0	0	n/a	0	3	0	n/a	0	884
Corn	0	0	n/a	0	0	n/a	n/a	0	0
Soybeans	0	0	n/a	0	3	0	0	0	699
Total	**0**	**0**	**n/a**	**0**	**6**	**0**	**0**	**0**	**1,583**
Atlantic									
Wheat	0	0	n/a	31	191	16	54	76	645
Corn	0	5	0	20	2	n/a	909	134	242
Soybeans	55	109	51	835	556	150	189	309	1,652
Total	**55**	**113**	**49**	**886**	**749**	**118**	**165**	**243**	**2,540**
U.S. total from ports[2]									
Wheat	428	617	69	4,521	5,464	83	146	114	33,108
Corn	914	1,027	89	7,164	3,101	231	316	148	22,241
Soybeans	1,071	953	112	14,322	10,344	138	117	126	37,024
Total	**2,414**	**2,597**	**93**	**26,006**	**18,909**	**138**	**156**	**131**	**92,373**

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

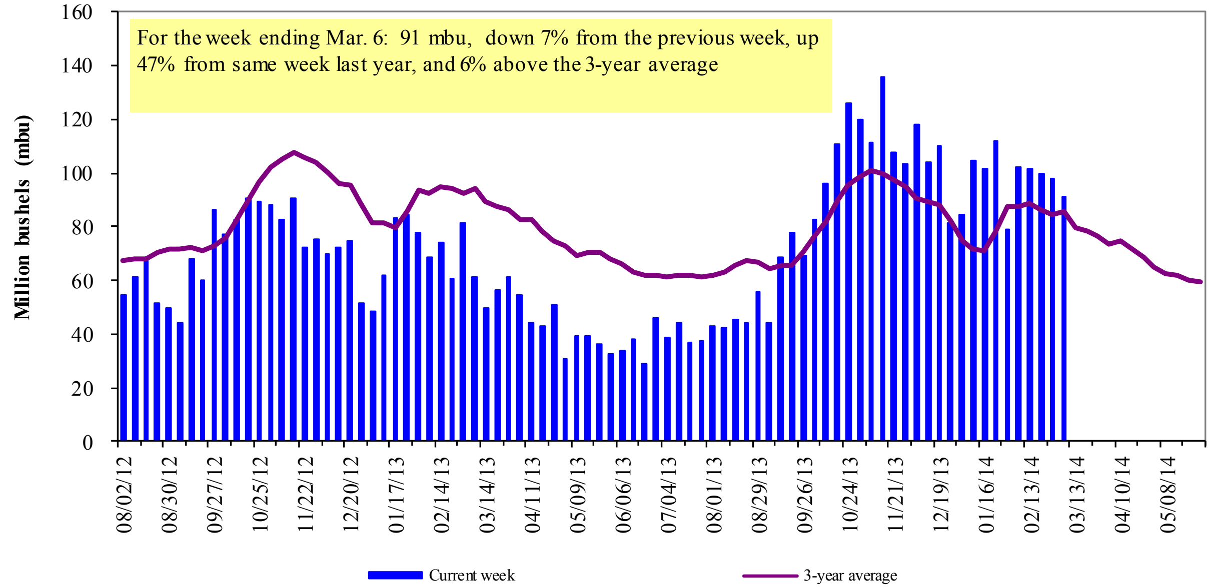
[2] Total includes only port regions shown above; Interior land-based shipments now included.

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2013.

Figure 14

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

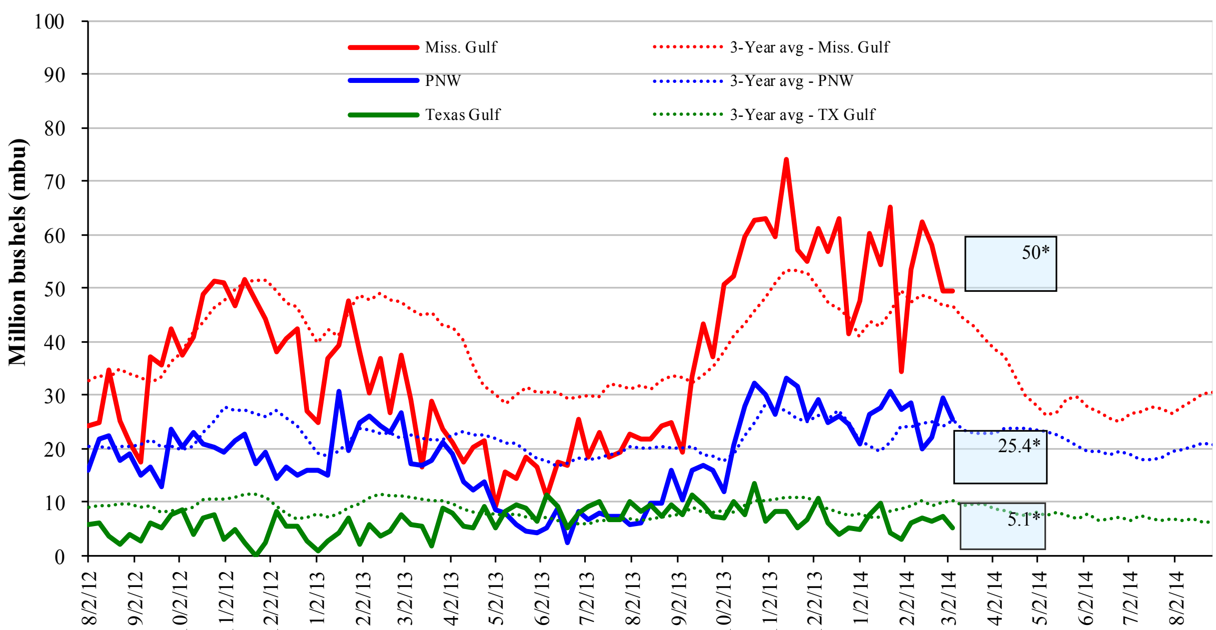


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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. 6 : % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 0.1	up 55	down 4	down 14
Last year (same week)	up 69	down 11	up 56	up 48
3-yr avg. (4-wk mov. avg.)	up 18	down 39	up 9	up 9

Ocean Transportation

Table 17

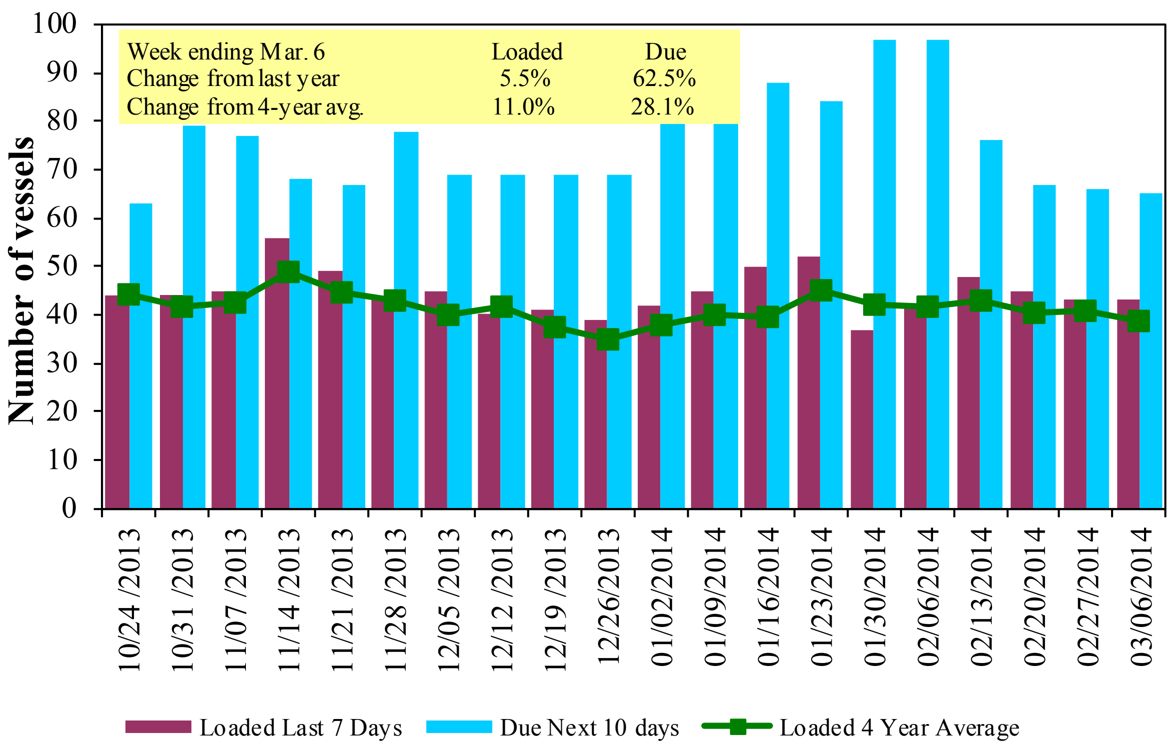
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
3/6/2014	82	43	65	25	n/a
2/27/2014	88	43	66	22	n/a
2013 range	(16..60)	(20..56)	(31..81)	(0..24)	n/a
2013 avg.	32	33	51	12	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

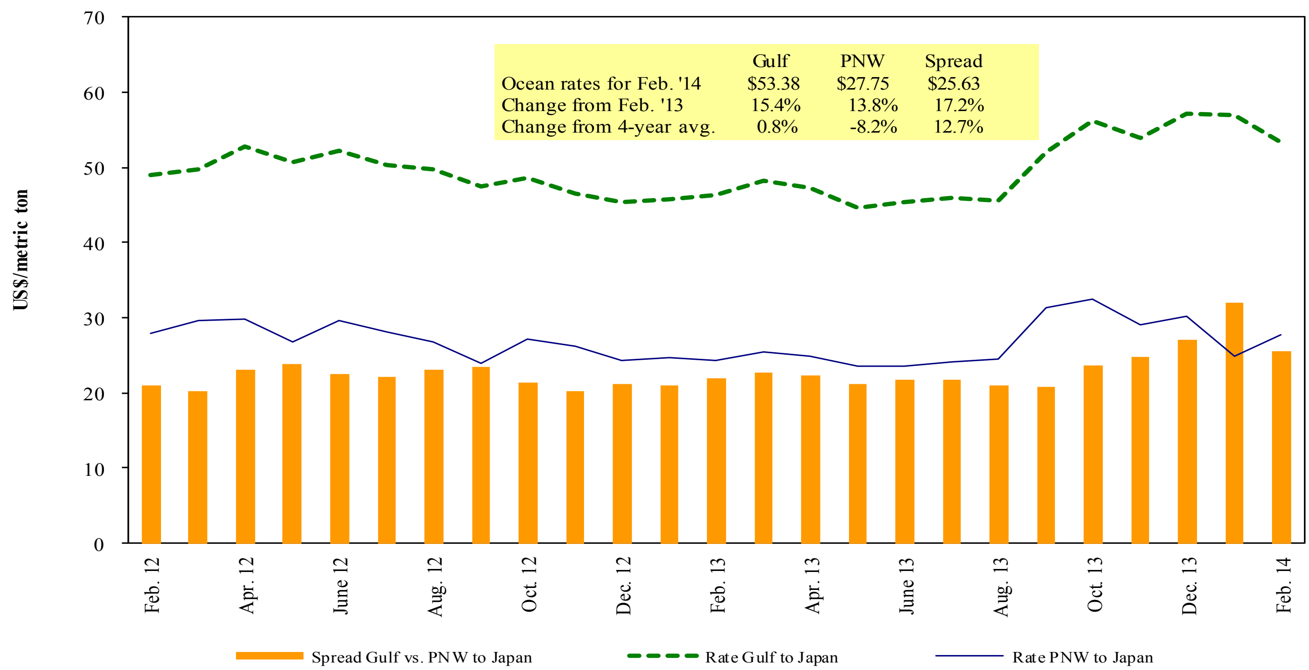


Source:Transportation & Marketing Programs/AMS/USDA

[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 3/8/2014

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Algeria	Wheat	Mar 10/15	28,000	38.00
U.S. Gulf	China	Heavy Grain	Feb 15/25	55,000	49.00
PNW	Nicaragua[1]	Soybean Meal	Feb 10/20	6,000	292.85
PNW	Philippines	Soybean Meal	Mar 5/15	6,750	77.40
St. Lawrence	Algeria	Wheat	Mar 10/15	25,000	51.00
Brazil	China	Heavy Grain	Apr 1/30	60,000	42.25
Brazil	China	Heavy Grain	Mar 20/30	60,000	37.50 op 39.50
Brazil	China	Heavy Grain	Mar 20/25	60,000	40.50
Brazil	China	Heavy Grain	Mar 15/25	60,000	39.25
Brazil	China	Heavy Grain	Mar 1/10	60,000	38.50
Brazil	China	Heavy Grain	Mar 3/7	60,000	40.00
Brazil	China	Heavy Grain	Mar 5/15	60,000	40.50
Brazil	China	Heavy Grain	Mar 10/20	60,000	39.50
Finland	Algeria	Barley	Mar 5/10	25,000	45.00

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

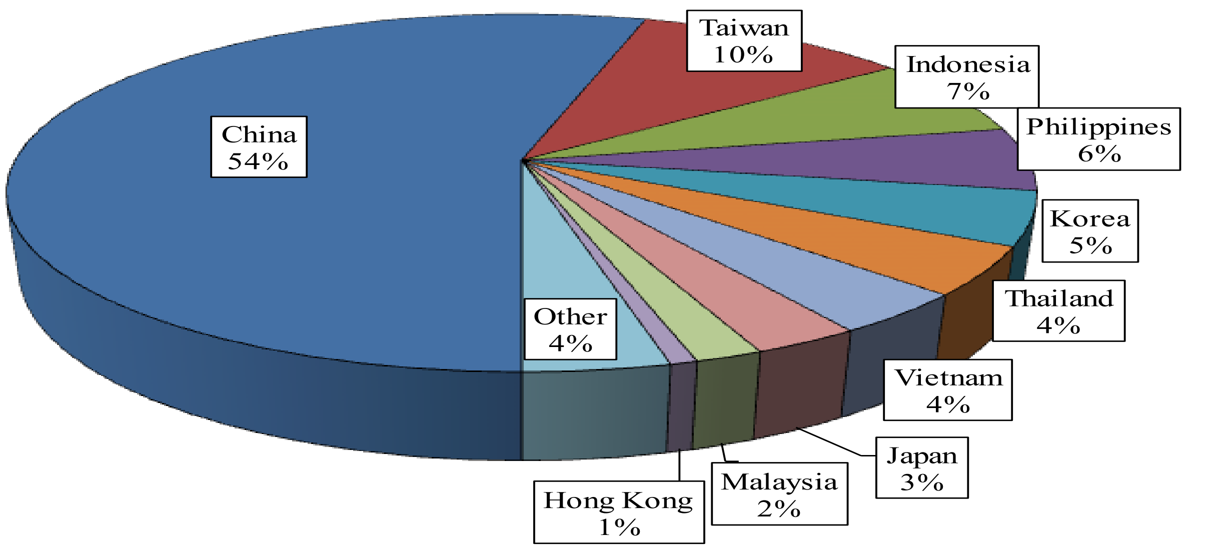
[1]50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2012, containers were used to transport 8 percent of total U.S. waterborne grain exports, up 1 percentage point from 2011. Approximately 66 percent of U.S. waterborne grain exports in 2012 went to Asia, of which 11 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—96 percent in 2012.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2013

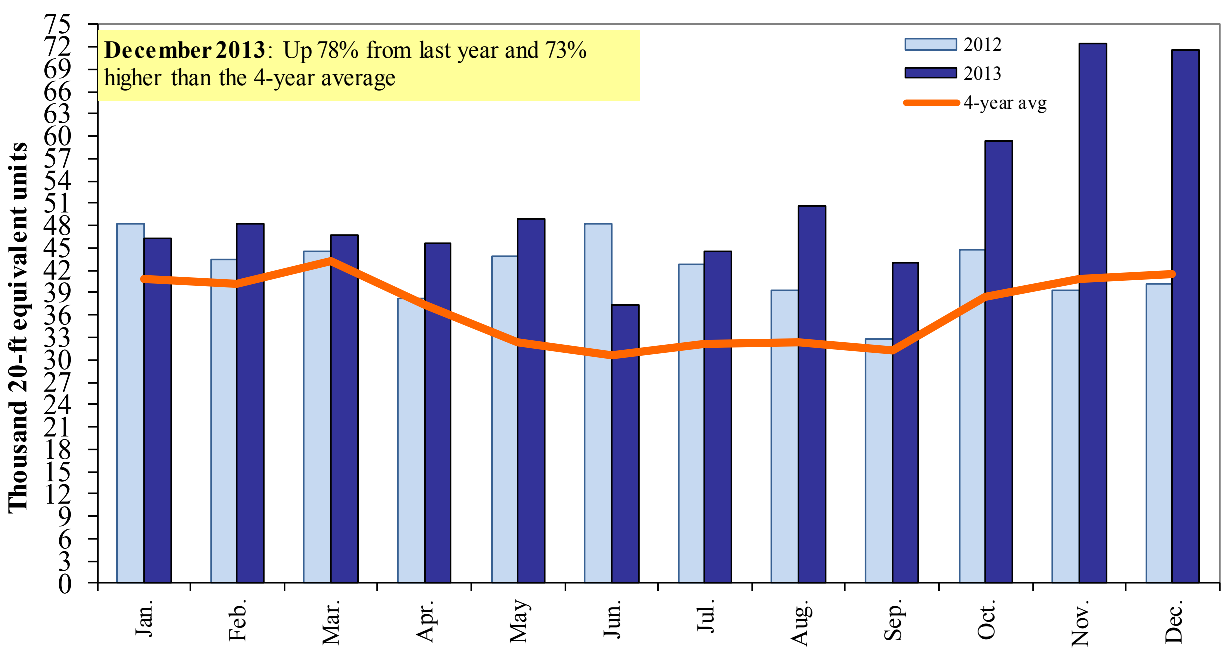


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 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: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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