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

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March 15, 2012

Contents

The next release is Mar. 22, 2012

WEEKLY HIGHLIGHTS

Senate Highway Bill Strengthens Exemptions for Certain Farm Vehicles and Drivers

On March 14 the Senate passed S. 1813 Moving Ahead for Progress in the 21st Century Act, clarifying that Commercial Driver's License, drug testing, medical certificate, and hours of service requirements do not apply to certain farm vehicles and drivers. These vehicles are defined as traveling in the State in which the vehicle is registered or another State; operated by a farm owner or operator, a ranch owner or operator, or an employee or family member; and transporting to or from a farm or ranch, agricultural commodities, livestock, machinery, or supplies. Vehicles must not be used for hire and must have a gross vehicle weight no greater than 26,001 pounds. The weight restriction does not apply to farm vehicles traveling within 150 air miles of the farm or ranch where they are operated. Farm vehicles operated pursuant to a crop-share farm lease agreement are included in the exemptions

Missouri River Opens A Month Early Because of Mild Weather

On February 28, the Missouri Department of Transportation announced the opening of the shipping season on the Missouri River, which usually starts in April. The first long haul boat headed out of St. Louis, MO, nearly a full month ahead of schedule with loads of fertilizer and clay to Herman and Brunswick, MO. The barge returned downriver with soybeans for domestic and export markets. The mild winter and favorable river conditions have allowed an early start of the season. The U.S. Army Corps of Engineers indicates that the long-range forecast is not calling for a lot of precipitation in the upper Missouri River region. This year's Missouri River Valley snowpack is close to normal and spring rains would have to be worse than last year if a repeat of the 2011 Missouri River flooding were to reoccur.

Senate Highway Bill Clarifies Hours of Service Exemption for Transportation of Agricultural Commodities and Farm Supplies

On March 14, the Senate passed S. 1813 Moving Ahead for Progress in the 21st Century Act, clarifying that the existing 100 air-mile radius exemption from hours of service regulations for drivers transporting agricultural commodities and farm supplies for agricultural purposes, applies to all wholesale and retail distribution points of all farm supplies. The Federal Motor Carrier Safety Administration (FMCSA) has consistently held that the agricultural operations exemption applies to the transportation of farm supplies from the local farm retailer to the ultimate consumer within a 100 air-mile radius. FMCSA's interpretation, however, has not extended the exemption to deliveries from wholesalers to either local farm retailers or farms. On October 6, 2010, FMCSA granted a two-year, limited exemption from the federal hours of-service regulations for the wholesale and retail distribution of anhydrous ammonia in agricultural operations, which remains in effect until October 9, 2012, unless revoked earlier by FMCSA

Wheat Inspections Highest Since September

For the week ending March 8, total inspections of wheat increased for the second consecutive week, reaching .861 million metric tons (mmt), up 82 percent from the past week and 11 percent above the same time last year. Wheat inspections are also the highest since September 15 (.927 mmt), jumping 78 percent above the previous week in the Pacific Northwest (PNW), to .447 mmt. Increased shipments of wheat to Mexico and Latin America boosted Mississippi Gulf inspections (.236 mmt) 139 percent above the past week, while Texas Gulf wheat inspections (.166 mmt) increased 95 percent as shipments to Nigeria rebounded. Total corn inspections (.922 mmt) also increased for the second consecutive week as shipments increased primarily to Asia. Corn inspections increased notably in the PNW and Mississippi Gulf. **Total inspections of grain** (corn, wheat, and soybeans) reached 2.45 mmt, up 13 percent from the past week, but 7 percent below last year this time.

Snapshots by Sector

Rail

U.S. railroads originated 22,162 **carloads of grain** during the week ending March 3, up 7 percent from last week, down 2 percent from last year, and 2 percent higher than the 3-year average.

During the week ending March 8, average March non-shuttle **secondary railcar bids/offers per car** were $4 below tariff, up $2.50 from last week but $166.50 lower than last year. Average shuttle rates were $116 below tariff, up $17.50 from last week but $441 lower than last year.

Ocean

During the week ending March 8, 33 **ocean-going grain vessels** were loaded in the Gulf, down 33 percent from last year. Thirty-eight vessels are expected to be loaded within the next 10 days, 49 percent less than the same period last year.

During the week ending March 9, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $49 per mt, unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was $30 per mt—unchanged from the previous week.

Barge

During the week ending March 10, **barge grain movements** totaled 593,418 tons, 13 percent higher than the previous week and 4.8 percent higher than the same period last year.

During the week ending March 10, 364 grain barges **moved down river**, up 10.6 percent from last week, and 493 grain barges were **unloaded in New Orleans**, down 17 percent from the previous week.

Fuel

During the week ending March 12, U.S. average **diesel fuel prices** increased 3 cents to $4.12 per gallon—22 cents higher than the same week last year.

Feature Article/Calendar

Transportation Costs Remain Relatively Stable for Corn and Soybeans

Fourth quarter 2011 transportation costs for shipping corn and soybeans from Minneapolis, MN, through the Gulf and Pacific Northwest (PNW) to Japan remained steady from the third quarter. The drop in total landed costs, however, was more significant because of lower truck rates and farm values (see tables 1, 2). Truck and barge rates were down from the third quarter but did not have a significant effect on overall transportation costs due to the increase in ocean rates. Falling truck rates and farm values, however, resulted in lower quarter to quarter total landed costs for corn and soybeans.

U.S. Gulf Costs: Total fourth quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, through the U.S. Gulf to Japan were mostly unchanged from the third quarter (table 1). Barge and truck rates accounted for 56 percent of the total transportation cost for shipping corn and soybeans from Minnesota through the Gulf. Barge and truck rates declined because of lower demand for these services. Truck rates decreased 19 percent from the previous quarter because of a slowdown in trucking activity. Year-to-year transportation costs for shipping grain from the Gulf decreased 4 percent because of a 16 percent decrease in barge rates that offset a 14 percent increase in truck rates and a 2 percent increase in ocean rates. Year-to-year truck rates increased due in part to higher diesel fuel 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 10	3rdQtr 11	4thQtr 11	Yr. to Yr.	Qtr to Qtr	4thQtr 10	3rdQtr 11	4thQtr 11	Yr. to Yr.	Qtr to Qtr
Truck	8.94	12.62	10.22	14.32	-19.02	8.94	12.62	10.22	14.32	-19.02
Barge	41.85	37.20	35.25	-15.77	-5.24	41.85	37.20	35.25	-15.77	-5.24
Ocean	56.25	52.92	57.13	1.56	7.96	56.25	52.92	57.13	1.56	7.96
Total Transportation Cost	107.04	102.74	102.60	-4.15	-0.14	107.04	102.74	102.60	-4.15	-0.14
Farm Value [1]	164.56	246.05	215.74	31.10	-12.32	385.69	461.75	418.88	8.61	-9.28
Total Landed Cost	271.60	348.79	318.34	17.21	-8.73	492.73	564.49	521.48	5.83	-7.62
Transportation % Landed Cost	39.41	29.46	32.23			21.72	18.20	19.67		

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 10	3rdQtr 11	4thQtr 11	Yr. to Yr.	Qtr to Qtr	4thQtr 10	3rdQtr 11	4thQtr 11	Yr. to Yr.	Qtr to Qtr
Truck	8.94	12.62	10.22	14.32	-19.02	8.94	12.62	10.22	14.32	-19.02
Rail [2]	47.94	53.28	53.93	12.49	1.22	50.49	54.77	56.20	11.31	2.61
Ocean	31.34	30.55	31.96	1.98	4.62	31.34	30.55	31.96	1.98	4.62
Total Transportation Cost	88.22	96.45	96.11	8.94	-0.35	90.77	97.94	98.38	8.38	0.45
Farm Value [1]	164.56	246.05	215.74	31.10	-12.32	385.69	461.75	418.88	8.61	-9.28
Total Landed Cost	252.78	342.5	311.85	23.37	-8.95	476.46	559.69	517.26	8.56	-7.58
Transportation % Landed Cost	34.90	28.16	30.82			19.05	17.50	19.02		

Source: USDA/AMS/TMP

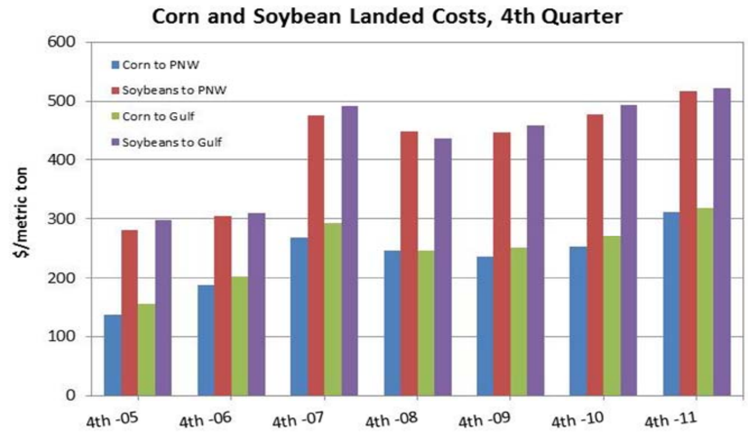
[1] Source: USDA/NASS, Agricultural Prices

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

The quarter-to-quarter total landed cost for shipping corn and soybeans from the Gulf reached $318/metric ton (mt) and $522 (mt) respectively, down 9 percent for corn and 8 percent for soybeans, primarily because of lower truck rates and decreased farm values (table 1). Although down from the third quarter 2011, the fourth quarter landed cost for shipping corn from Minnesota via the Gulf to Japan reached a record high for overall fourth quarter landed costs (see figure).

Year-to-year landed costs to Japan through the Gulf increased 17 percent for corn and 6 percent for soybeans as truck rates and farm values rose. Fourth quarter landed cost for corn was 9 percent above the peak ($294/mt) set in 2007. The total landed cost for shipping soybeans also reached a fourth quarter record and was 6 percent above the previous high set in 2010 (see figure). Transportation costs for shipping corn from the Gulf to Japan accounted for over 32 percent of the total landed cost during the fourth quarter. This is above the previous quarter but below last year. The soybean transportation cost share of the landed cost increased to 20 percent, which is above the previous quarter but below the same quarter last year (see table 1).

Pacific Northwest Costs: Compared to the third quarter, fourth quarter total transportation costs from Minneapolis, MN, via the Pacific Northwest (PNW) to Japan also remained steady for corn and soybeans. Truck rates were considerably lower quarter to quarter, but did not affect overall transportation costs very much (table 2). Quarter-to-quarter rail rates for shipping grain to the PNW increased 1 percent for corn and 3 percent for soybeans. Year-to-year total transportation costs for shipping grain from Minnesota to the PNW increased 9 percent for corn and 8 percent for soybeans because of increased rates for each mode. Rail rates for shipping corn and soybeans to the PNW increased 12 and 11 percent from last year partly because of higher fuel surcharges.



The quarter-to-quarter total landed costs for shipping corn and soybeans from the PNW reached $312/mt and $517/mt, down 9 percent for corn and 7 percent for soybeans because of lower truck rates. Similar to the shipping costs for each grain from the Gulf, landed costs for shipping from the PNW reached a fourth quarter record.

The year-to-year change in the total landed cost to Japan through the PNW increased 23 percent for corn and 9 percent for soybeans (see table 2). The fourth quarter total landed cost for shipping corn from the PNW to Japan reached a record, 16 percent above the previous high set during the same period in 2007 (see figure). Soybean total landed cost for shipping from the PNW also reached a record during the fourth quarter–9 percent above the peak in 2007 (see figure). Transportation costs for corn shipped from the PNW accounted for about 31 percent of the total landed cost during the fourth quarter, above the third quarter but below the same time last year (table 2). Fourth quarter transportation costs for soybeans shipped from the PNW were above the past quarter but unchanged from 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: Unit Train	Rail: Shuttle	Barge	Ocean: Gulf	Ocean: Pacific
03/14/12	277	227	196	192	219	213
03/07/12	275	227	195	193	219	213

[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

Table 2

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

Commodity	Origin--Destination	3/9/2012	3/2/2012
Corn	IL--Gulf	-0.66	-0.65
Corn	NE--Gulf	-0.84	-0.82
Soybean	IA--Gulf	-1.21	-1.25
HRW	KS--Gulf	-1.49	-1.40
HRS	ND--Portland	-1.78	-1.71

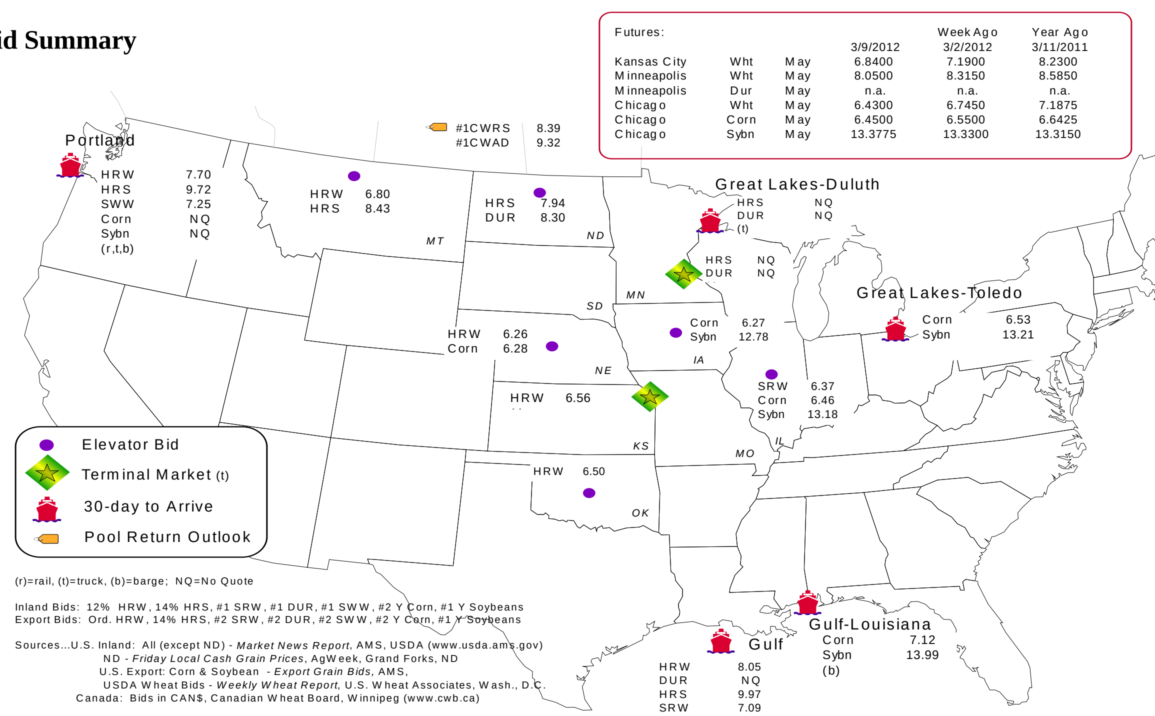
Note: nq = no quote

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
3/07/2012[p]	359	225	1,164	2,999	502	5,249
2/29/2012[r]	433	599	1,317	3,363	471	6,183
2012 YTD	2,780	6,309	10,844	30,325	5,055	55,313
2011 YTD	5,082	16,113	8,559	34,162	11,556	75,472
2012 YTD as % of 2011 YTD	55	39	127	89	44	73
Last 4 weeks as % of 2011[2]	44	18	225	89	84	72
Last 4 weeks as % of 4-year avg.[2]	48	22	154	79	69	69
Total 2011	27,358	77,515	48,782	178,990	24,088	356,733
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2011 and prior 4-year average.

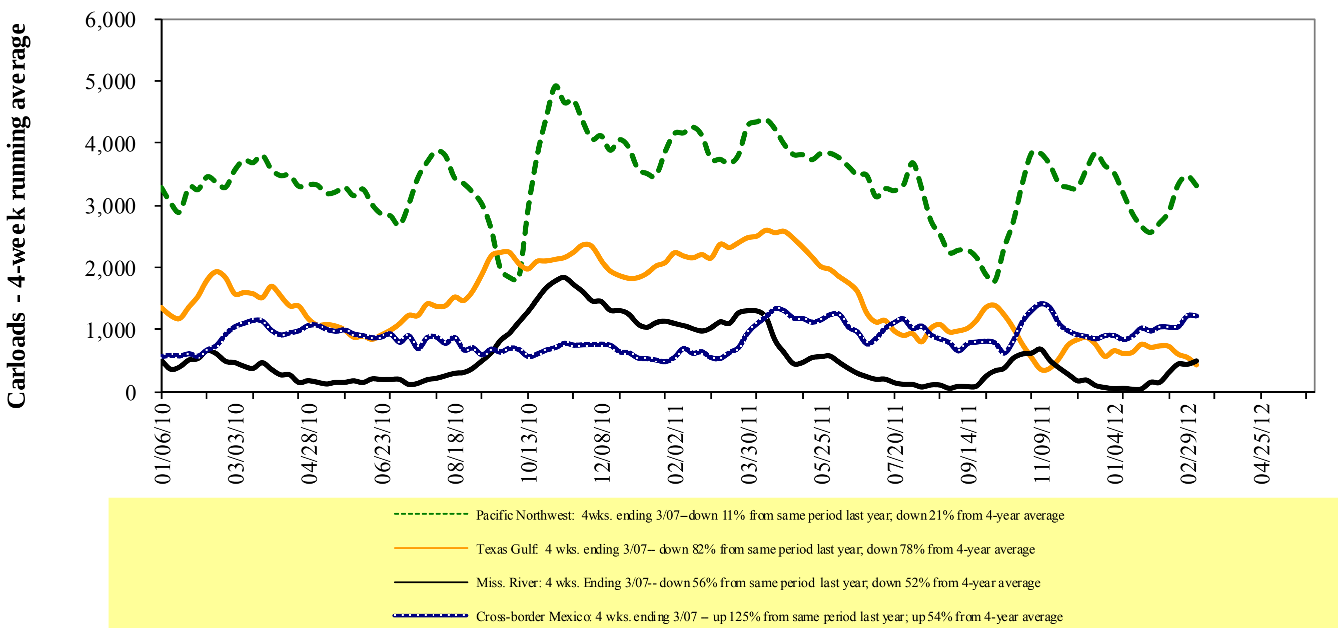
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 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)

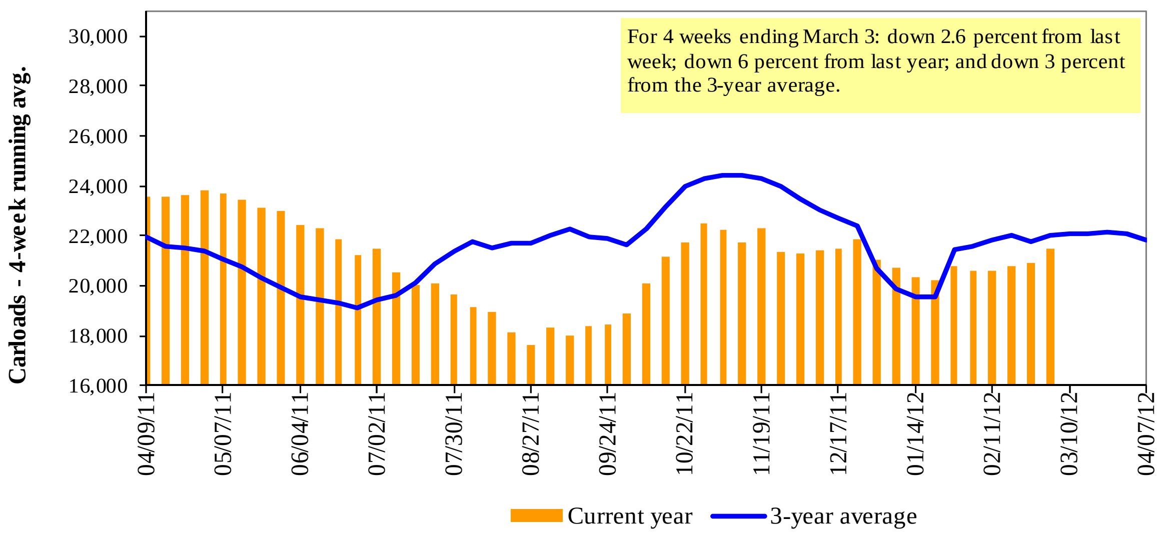
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
03/03/12	2,004	3,231	11,249	406	5,272	22,162	3,939	5,442
This week last year	2,280	2,872	10,237	474	6,800	22,663	3,931	3,969
2012 YTD	19,639	27,090	91,558	4,430	46,338	189,055	34,360	46,259
2011 YTD	19,546	26,757	103,599	5,256	56,208	211,366	34,272	40,459
2012 YTD as % of 2011 YTD	100	101	88	84	82	89	100	114
Last 4 weeks as % of 2011[1]	106	107	96	84	81	94	100	117
Last 4 weeks as % of 3-yr avg.[1]	99	107	101	67	90	98	96	101
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

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

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

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Railcar Auction Offerings[1] ($/car)[2]

Week ending 3/8/2012	Delivery period							
	Mar-12	Mar-11	Apr-12	Apr-11	May-12	May-11	Jun-12	Jun-11
BNSF[3]								
COT grain units	1	no offer	0	no offer	0	no offer	no bids	3
COT grain single-car[5]	0 . . 2	no offer	0 . . 5	no offer	0 . . 10	no offer	0	0 . . 3
UP[4]								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	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.

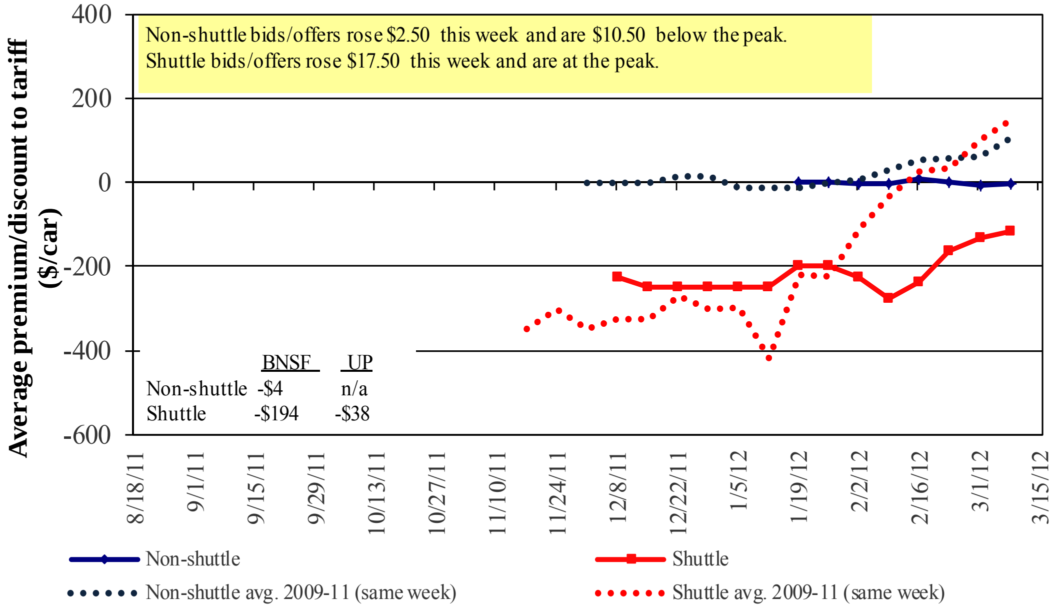
[5]Range is shown because average is not available. Not available = n/a.

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 2012, Secondary Market

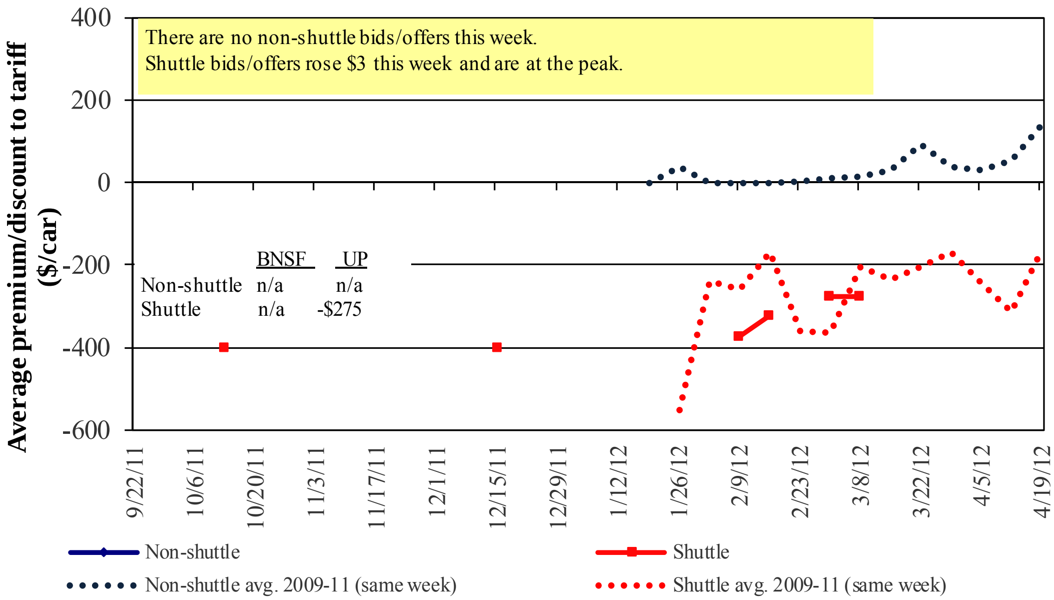


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

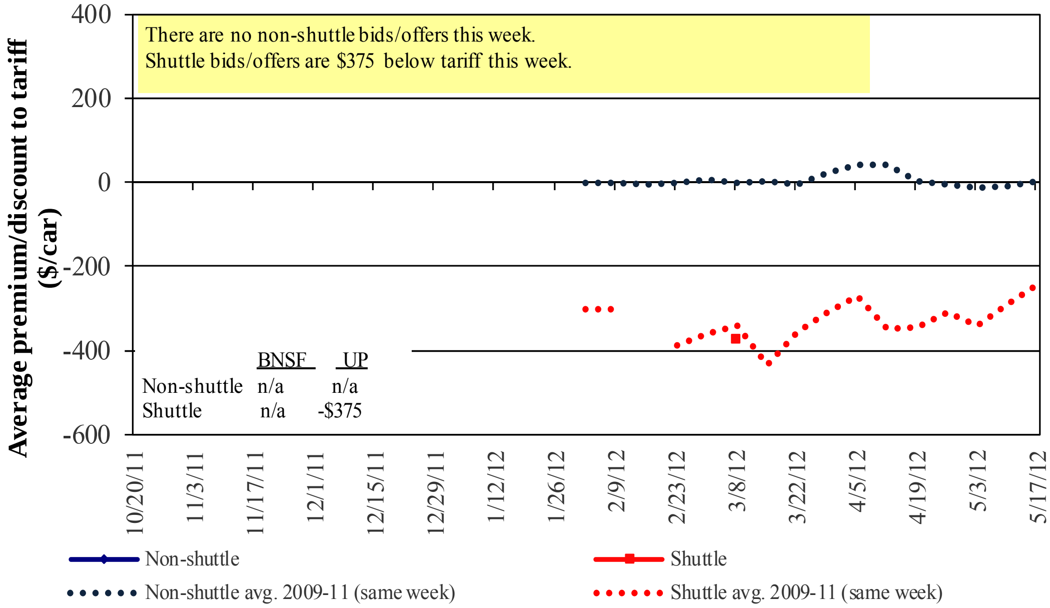


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

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



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market ($/car)[1]

Week ending	Delivery period					
3/8/2012	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12
Non-shuttle						
BNSF-GF	(4)	n/a	n/a	n/a	n/a	n/a
Change from last week	9	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(329)	n/a	n/a	n/a	n/a	n/a
UP-Pool	n/a	n/a	n/a	n/a	n/a	n/a
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(194)	n/a	n/a	n/a	n/a	n/a
Change from last week	(15)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(669)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(38)	(275)	(375)	n/a	(275)	n/a
Change from last week	50	25	n/a	n/a	(25)	n/a
Change from same week 2010	(213)	63	150	n/a	(25)	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: 3/1/2012	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$2,992	$177	$31.47	$0.86	5
	Grand Forks, ND	Duluth-Superior, MN	$3,260	$101	$33.38	$0.91	20
	Wichita, KS	Los Angeles, CA	$5,895	$520	$63.71	$1.73	15
	Wichita, KS	New Orleans, LA	$3,492	$312	$37.77	$1.03	5
	Sioux Falls, SD	Galveston-Houston, TX	$5,573	$427	$59.58	$1.62	10
	Northwest KS	Galveston-Houston, TX	$3,760	$341	$40.73	$1.11	5
	Amarillo, TX	Los Angeles, CA	$3,959	$475	$44.03	$1.20	5
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,038	$352	$33.67	$0.92	10
	Toledo, OH	Raleigh, NC	$4,382	$398	$47.47	$1.29	18
	Des Moines, IA	Davenport, IA	$1,934	$75	$19.95	$0.54	6
	Indianapolis, IN	Atlanta, GA	$3,821	$299	$40.91	$1.11	20
	Indianapolis, IN	Knoxville, TN	$3,273	$192	$34.41	$0.94	19
	Des Moines, IA	Little Rock, AR	$3,074	$219	$32.70	$0.89	6
	Des Moines, IA	Los Angeles, CA	$5,825	$638	$64.18	$1.75	33
Soybeans	Minneapolis, MN	New Orleans, LA	$3,499	$387	$38.59	$1.05	6
	Toledo, OH	Huntsville, AL	$3,497	$283	$37.54	$1.02	21
	Indianapolis, IN	Raleigh, NC	$4,453	$401	$48.20	$1.31	17
	Indianapolis, IN	Huntsville, AL	$3,189	$192	$33.57	$0.91	23
	Champaign-Urbana, IL	New Orleans, LA	$3,382	$352	$37.08	$1.01	9
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,351	$299	$36.25	$0.99	15
	Wichita, KS	Galveston-Houston, TX	$3,247	$233	$34.56	$0.94	11
	Chicago, IL	Albany, NY	$3,645	$374	$39.91	$1.09	6
	Grand Forks, ND	Portland, OR	$4,832	$517	$53.12	$1.45	17
	Grand Forks, ND	Galveston-Houston, TX	$5,854	$538	$63.48	$1.73	16
	Northwest KS	Portland, OR	$4,727	$560	$52.50	$1.43	5
Corn	Minneapolis, MN	Portland, OR	$4,800	$629	$53.92	$1.47	19
	Sioux Falls, SD	Tacoma, WA	$4,760	$576	$52.99	$1.44	18
	Champaign-Urbana, IL	New Orleans, LA	$2,857	$352	$31.87	$0.87	9
	Lincoln, NE	Galveston-Houston, TX	$3,310	$336	$36.21	$0.99	17
	Des Moines, IA	Amarillo, TX	$3,430	$275	$36.80	$1.00	5
	Minneapolis, MN	Tacoma, WA	$4,800	$624	$53.87	$1.47	19
	Council Bluffs, IA	Stockton, CA	$4,200	$646	$48.12	$1.31	24
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,040	$576	$55.77	$1.52	19
	Minneapolis, MN	Portland, OR	$5,030	$629	$56.20	$1.53	21
	Fargo, ND	Tacoma, WA	$4,930	$512	$54.05	$1.47	18
	Council Bluffs, IA	New Orleans, LA	$3,710	$406	$40.87	$1.11	8
	Toledo, OH	Huntsville, AL	$2,672	$283	$29.34	$0.80	7
	Grand Island, NE	Portland, OR	$5,115	$573	$56.48	$1.54	15

[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: 3/1/2012				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,741	$547	$84.68	$2.30	15
	OK	Cuautitlan, EM	$6,747	$573	$74.79	$2.03	11
	KS	Guadalajara, JA	$7,411	$871	$84.62	$2.30	10
	TX	Salinas Victoria, NL	$3,703	$233	$40.22	$1.09	8
Corn	IA	Guadalajara, JA	$7,699	$875	$87.60	$2.22	11
	SD	Penjamo, GJ	$7,776	$715	$86.76	$2.20	20
	NE	Queretaro, QA	$7,048	$739	$79.57	$2.02	15
	SD	Salinas Victoria, NL	$5,650	$544	$63.28	$1.61	20
	MO	Tlalnepantla, EM	$6,263	$721	$71.36	$1.81	17
	SD	Torreon, CU	$6,522	$599	$72.76	$1.85	17
Soybeans	MO	Bojay (Tula), HG	$6,926	$761	$78.54	$2.14	13
	NE	Guadalajara, JA	$7,904	$875	$89.70	$2.44	15
	IA	El Castillo, JA[5]	$8,255	$711	$91.61	$2.49	19
	KS	Torreon, CU	$6,396	$595	$71.43	$1.94	14
Sorghum	OK	Cuautitlan, EM	$5,670	$543	$63.48	$1.61	22
	TX	Guadalajara, JA	$6,653	$465	$72.73	$1.85	17
	NE	Penjamo, GJ	$7,426	$817	$84.23	$2.14	18
	KS	Queretaro, QA	$6,353	$508	$70.10	$1.78	14
	NE	Salinas Victoria, NL	$5,103	$483	$57.07	$1.45	15
	NE	Torreon, CU	$6,068	$629	$68.43	$1.74	11

[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

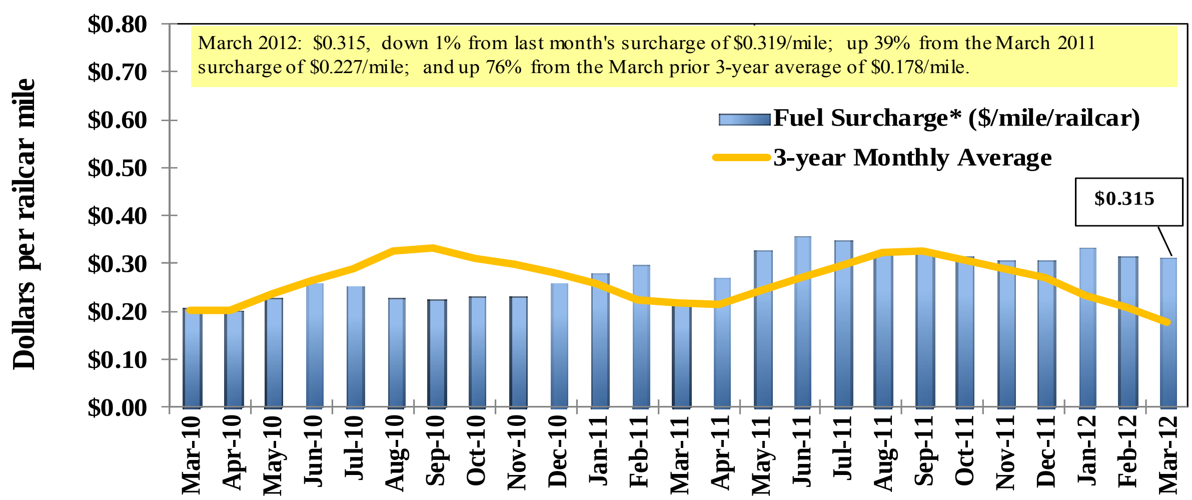
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[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.

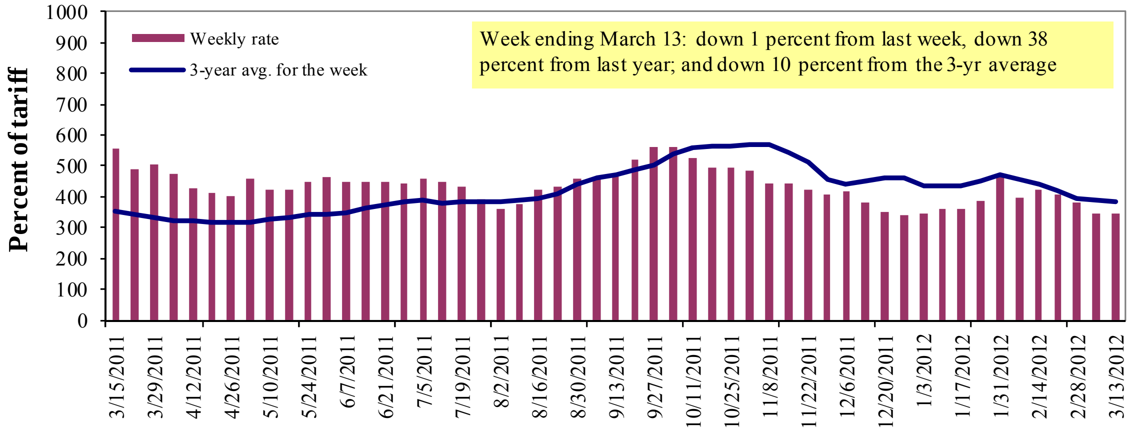
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

** 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]	3/13/2012	--	380	345	252	313	313	222
	3/6/2012	--	--	347	255	325	325	227
$/ton	3/13/2012	--	--	16.01	10.05	14.68	12.65	6.97
	3/6/2012	--	--	16.10	10.17	15.24	13.13	7.13
Current week % change from the same week:								
	Last year	--		-38	-47	-39	-39	-46
	3-year avg. [2]	--	--	-10	-16	0	0	-16
Rate[1]	April	433	378	355	257	327	327	230
	June	430	378	358	263	338	335	243

[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

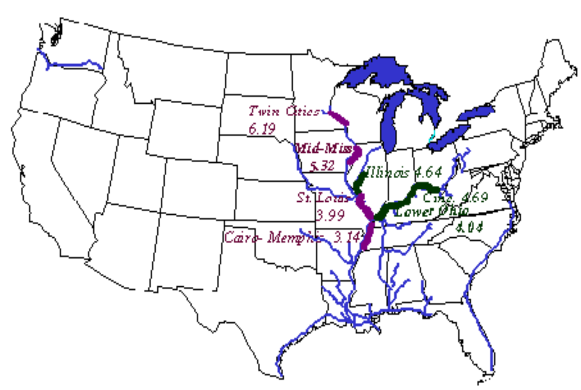
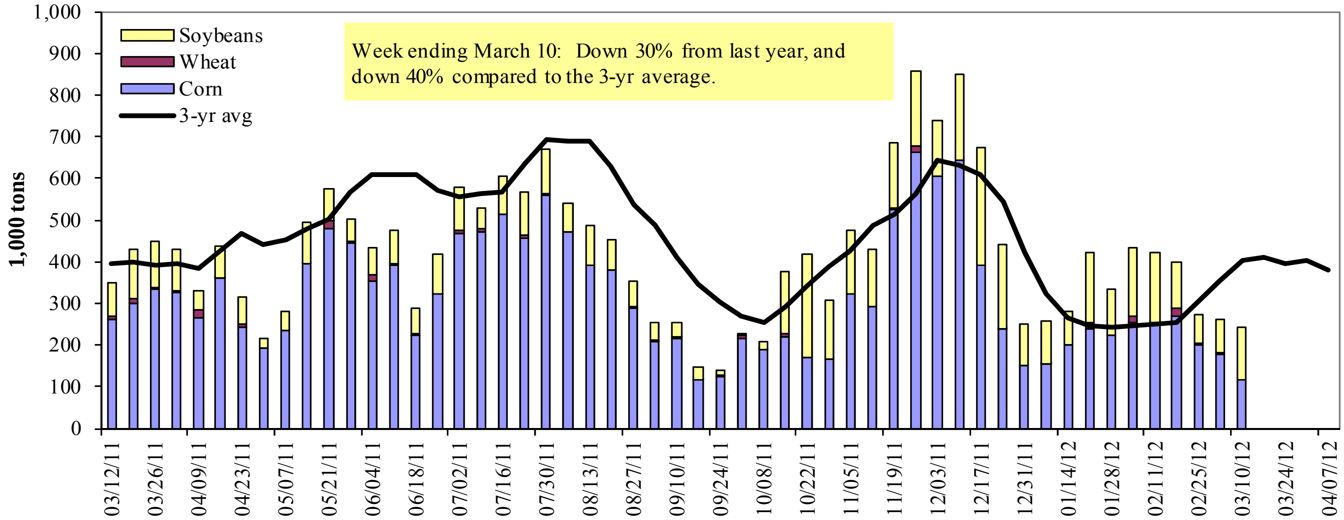


Figure 10

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 3/10/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	2	0	0	0	2
Alton, IL (L26)	88	0	99	0	187
Granite City, IL (L27)	115	0	128	0	243
Illinois River (L8)	52	0	55	0	107
Ohio River (L52)	149	21	134	0	303
Arkansas River (L1)	0	18	22	6	47
Weekly total - 2012	264	39	284	6	593
Weekly total - 2011	371	24	154	17	566
2012 YTD[1]	3,342	295	2,574	52	6,262
2011 YTD	2,997	183	2,199	70	5,449
2012 as % of 2011 YTD	112	161	117	73	115
Last 4 weeks as % of 2011[2]	95	191	111	60	103
Total 2011	19,921	1,460	8,553	422	30,356

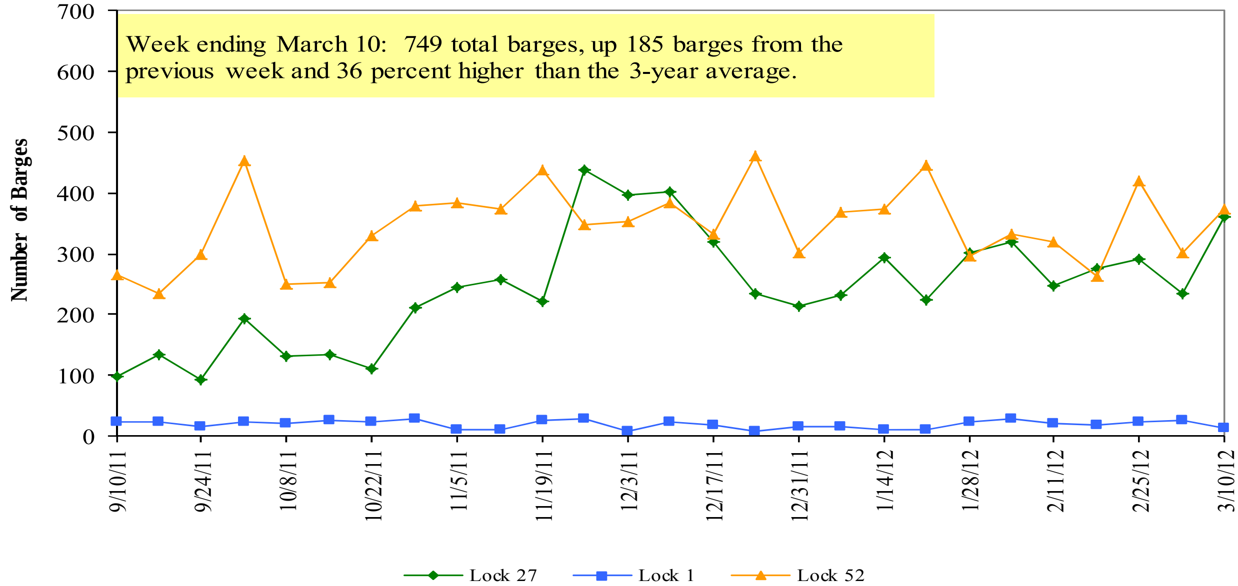
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.
[2] As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

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

Figure 11

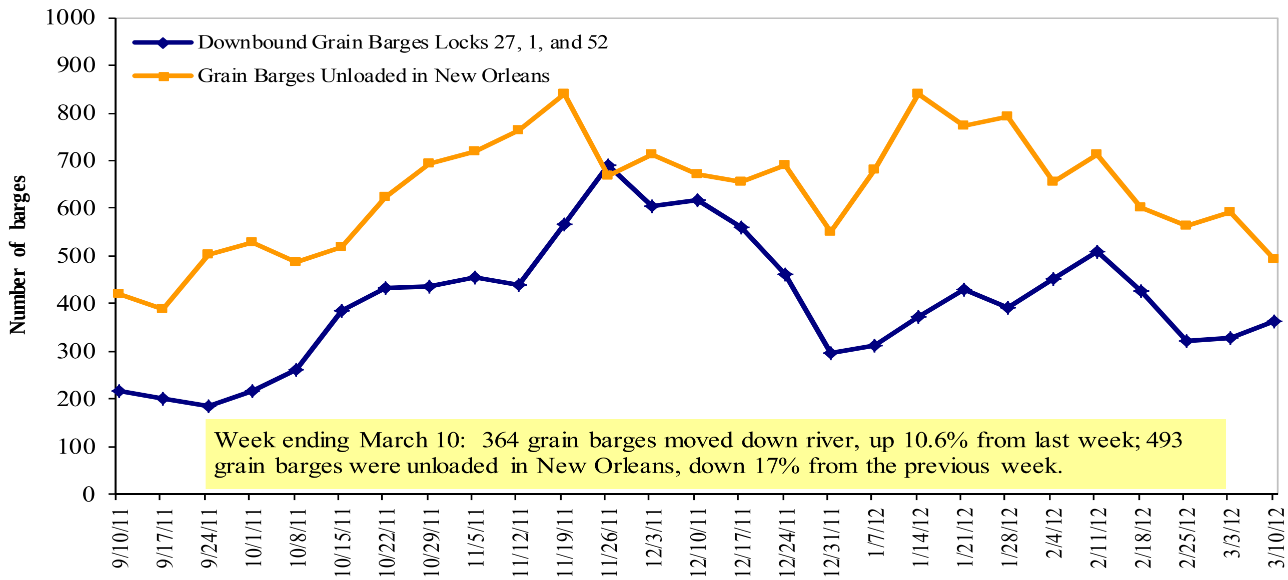
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: U.S. Army Corps of Engineers and GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates as diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 3/12/2012 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.169	0.002	0.223
	New England	4.250	-0.003	0.169
	Central Atlantic	4.247	0.004	0.186
	Lower Atlantic	4.096	0.002	0.211
II	Midwest[2]	4.016	0.042	0.157
III	Gulf Coast[3]	4.036	0.016	0.194
IV	Rocky Mountain	4.069	0.083	0.181
V	West Coast	4.421	0.049	0.330
	California	4.483	0.029	0.313
Total	U.S.	4.123	0.029	0.215

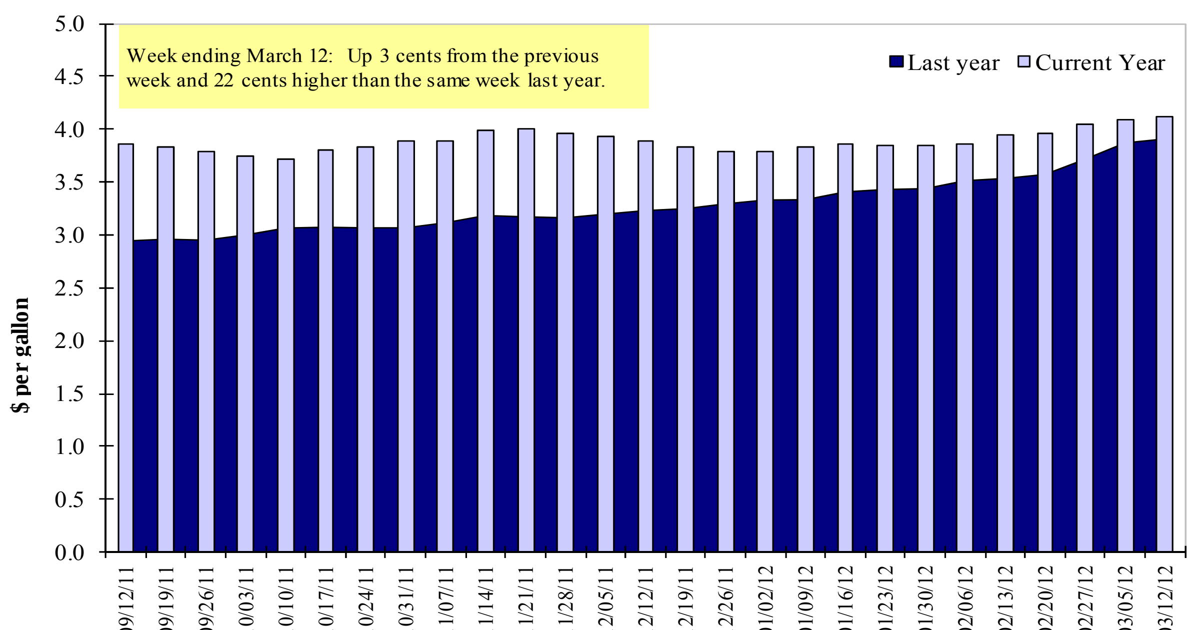
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
3/1/2012	1,393	966	1,303	1,621	26	5,309	10,277	5,488	21,074
This week year ago	3,780	903	2,434	1,265	126	8,508	12,791	8,066	29,365
Cumulative exports-marketing year[2]									
2011/12 YTD	7,443	2,480	4,822	3,914	388	19,047	21,022	24,388	64,457
2010/11 YTD	11,209	1,805	6,036	3,483	748	23,281	21,655	31,744	76,680
YTD 2011/12 as % of 2010/11	66	137	80	112	52	82	97	77	84
Last 4 wks as % of same period 2010/11	34	99	49	137	19	61	83	71	73
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385

[1] Current unshipped export sales to date

[2] Shipped export sales to date; the new marketing year is now in effect for corn and soybeans

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

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

Week ending 03/01/12	**Total Commitments**[2]		**% change**	**Exports**[3]
	2011/12	**2010/11**	**current MY**	
	Current MY	**Last MY**	**from last MY**	**2010/11**
	- 1,000 mt -			- 1,000 mt -
Japan	8,308	10,068	(17)	14,279
Mexico	7,963	5,962	34	7,019
Korea	3,250	3,736	(13)	6,104
Egypt	710	2,307	(69)	3,302
Taiwan	1,283	1,757	(27)	2,393
Top 5 importers	**21,513**	**23,829**	**(10)**	**33,096**
Total US corn export sales	**31,299**	**34,446**	**(9)**	**46,600**
% of Projected	72%	74%		
Change from Last Week	446	477		
Top 5 importers' share of U.S. corn export sales	69%	69%		
USDA forecast, March 2012	**43,180**	**46,600**	**(7)**	
Corn Use for Ethanol USDA forecast, Ethanol March 2012	**127,000**	**127,534**	**(0.4)**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

[3]FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

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

Week Ending 03/01/2012	**Total Commitments[2] 2011/12 Current MY**	**2010/11 Last MY**	**% change current MY from last MY**	**Exports[3] 2010/11**
	- 1,000 mt -			- 1,000 mt -
China	19,980	24,947	(20)	24,445
Mexico	2,091	2,295	(9)	3,215
Japan	1,338	1,832	(27)	1,887
EU	753	2,521	(70)	2,607
Indonesia	1,018	1,038	(2)	1,397
Top 5 importers	**25,179**	**32,634**	**(23)**	**33,551**
Total US soybean export sales	**29,875**	**39,811**	**(25)**	**40,860**
% of Projected	86%	97%		
Change from last week	939	412		
Top 5 importers' share of U.S. soybean export sales	84%	82%		
USDA forecast, March 2012	**34,700**	**40,860**	**(15)**	
Soybean Use for Biodiesel USDA forecast, March 2012	**8,632**	**6,115**	**41**	

(n) indicates negative number.

[1] Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

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

Week Ending 03/01/2012	**Total Commitments[2] 2011/12 Current MY**	**2010/11 Last MY**	**% change current MY from last MY**	**Exports[3] 2010/11**
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,768	2,987	(7)	3,233
Japan	3,309	3,387	(2)	3,148
Mexico	3,223	2,545	27	2,601
Philippines	1,871	1,864	0.4	1,518
Korea	1,771	1,535	15	1,111
Peru	571	862	(34)	923
Taiwan	829	822	1	913
Colombia	445	700	(36)	783
Indonesia	695	555	25	781
Yemen	417	668	(38)	659
Top 10 importers	**15,898**	**15,924**	**(0.2)**	**15,670**
Total US wheat export sales	**24,356**	**31,788**	**(23)**	**35,080**
% of Projected	89%	91%		
Change from last week	447	576		
Top 10 importers' share of U.S. wheat export sales	65%	50%		
USDA forecast, March 2012	**27,220**	**35,080**	**(22)**	

(n) indicates negative number.

[1] Modified from the FAS **2010/11** Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

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

Port regions	Week ending 03/08/12	Previous Week[1]	Current Week as % of Previous	2012 YTD[1]	2011 YTD[1]	2012 YTD as % of 2011 YTD	Last 4-weeks as % of 2011	Last 4-weeks as % of 3-yr. avg.	Total[1] 2011
Pacific Northwest									
Wheat	447	251	178	2,602	2,473	105	135	167	13,995
Corn	225	161	140	1,194	1,383	86	96	88	9,198
Soybeans	196	240	82	2,521	2,033	124	137	118	7,321
Total	**868**	**652**	**133**	**6,316**	**5,889**	**107**	**126**	**125**	**30,513**
Mississippi Gulf									
Wheat	236	99	239	1,050	907	116	142	179	5,031
Corn	495	383	129	4,800	4,960	97	75	78	26,267
Soybeans	407	530	77	5,919	6,884	86	79	97	19,262
Total	**1,138**	**1,012**	**113**	**11,769**	**12,752**	**92**	**81**	**92**	**50,560**
Texas Gulf									
Wheat	166	85	195	956	2,887	33	29	43	10,837
Corn	28	28	99	91	263	35	70	48	1,021
Soybeans	0	0	n/a	0	695	0	0	0	926
Total	**193**	**113**	**171**	**1,047**	**3,846**	**27**	**27**	**38**	**12,784**
Interior									
Wheat	13	40	32	174	267	65	41	108	1,110
Corn	162	218	74	1,624	1,012	160	81	136	7,509
Soybeans	52	109	48	875	737	119	87	104	4,273
Total	**228**	**367**	**62**	**2,673**	**2,017**	**133**	**85**	**122**	**12,892**
Great Lakes									
Wheat	0	0	n/a	0	9	0	0	0	1,038
Corn	0	0	n/a	14	0	n/a	n/a	0	178
Soybeans	0	0	n/a	0	0	n/a	n/a	0	382
Total	**0**	**0**	**n/a**	**15**	**9**	**160**	**9**	**17**	**1,598**
Atlantic									
Wheat	0	0	n/a	2	271	1	0	0	686
Corn	12	0	n/a	50	75	66	55	67	295
Soybeans	10	16	63	272	301	91	61	47	1,042
Total	**22**	**16**	**138**	**323**	**647**	**50**	**41**	**40**	**2,022**
U.S. total from ports[2]									
Wheat	861	474	182	4,784	6,815	70	81	110	32,697
Corn	922	791	117	7,772	7,694	101	87	86	44,466
Soybeans	666	896	74	9,587	10,651	90	87	97	33,205
Total	**2,449**	**2,160**	**113**	**22,144**	**25,160**	**88**	**86**	**95**	**110,369**

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

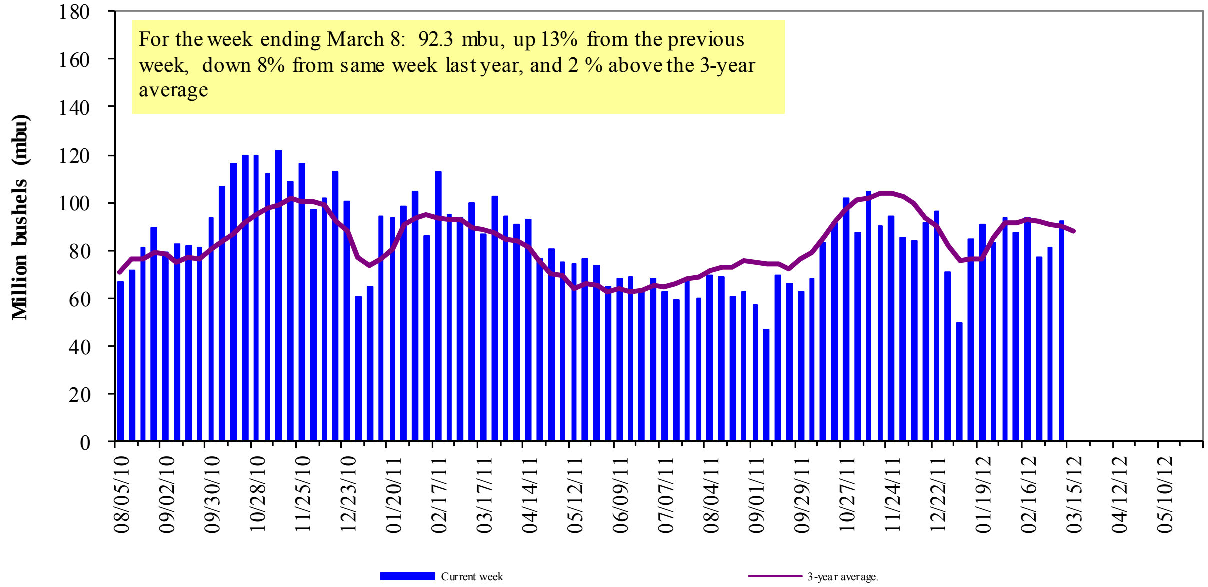
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2011.

Figure 14

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

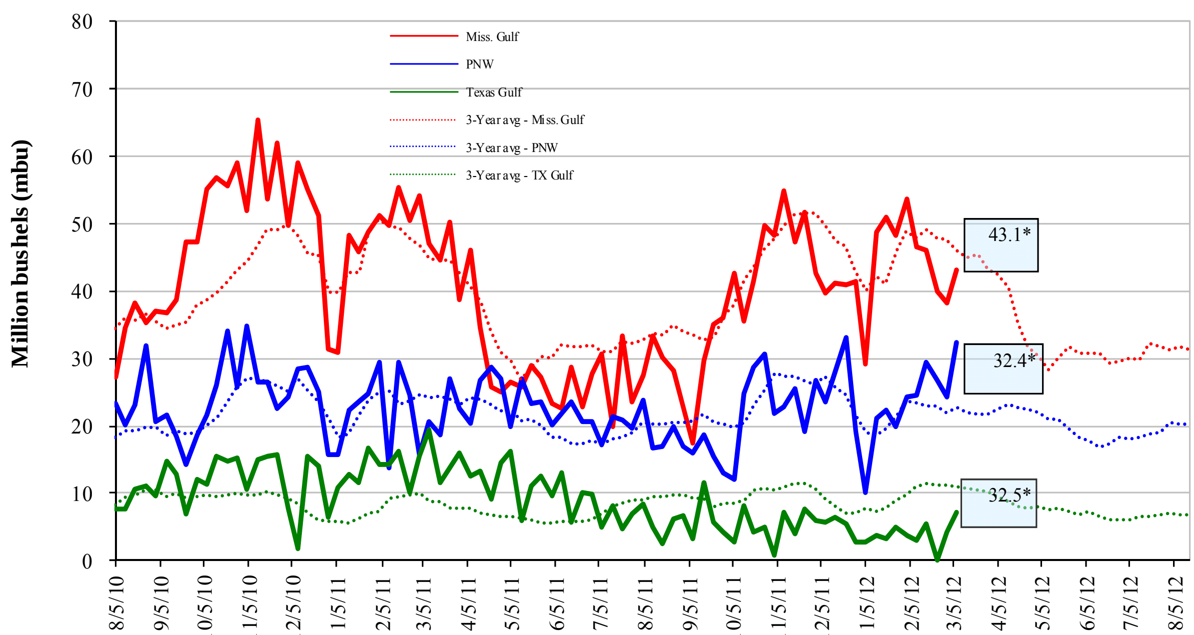


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

March 8 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 13	up 70	up 19	up 33
Last year (same week)	down 8	down 63	down 24	up 58
3-yr avg. (4-wk mov. avg.)	down 6	down 35	down 12	up 60

Ocean Transportation

Table 17

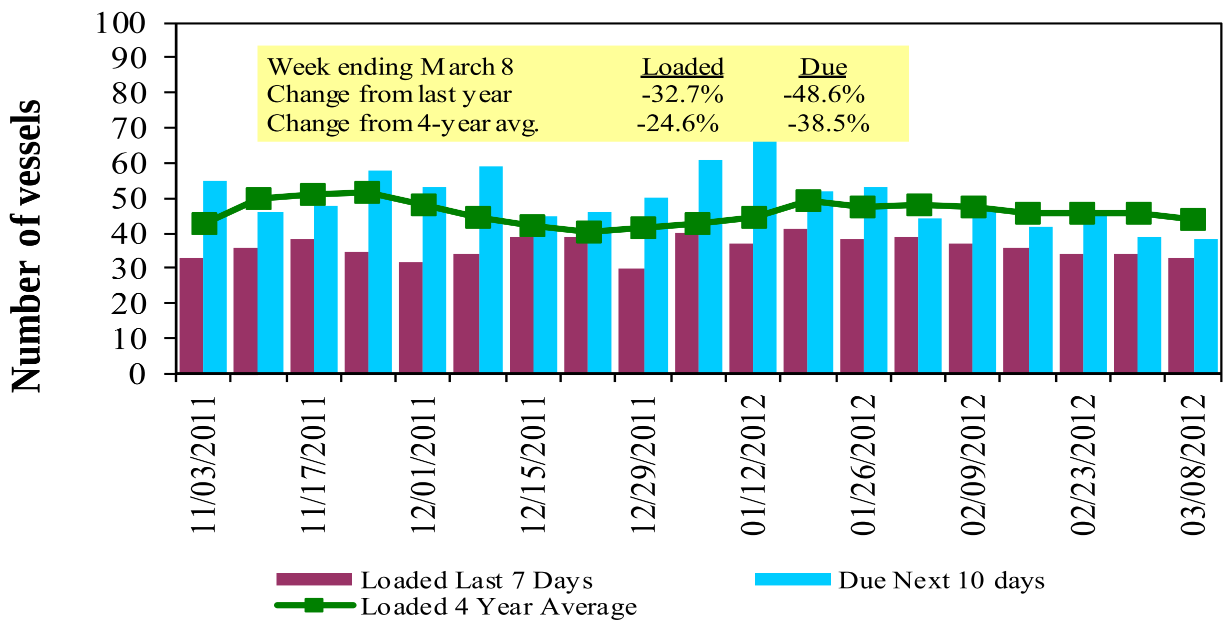
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
3/8/2012	33	33	38	15	n/a
3/1/2012	27	34	39	16	n/a
2011 range	(14..65)	(28..54)	(34..83)	(5..25)	(1..20)
2011 avg.	31	38	53	15	12

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

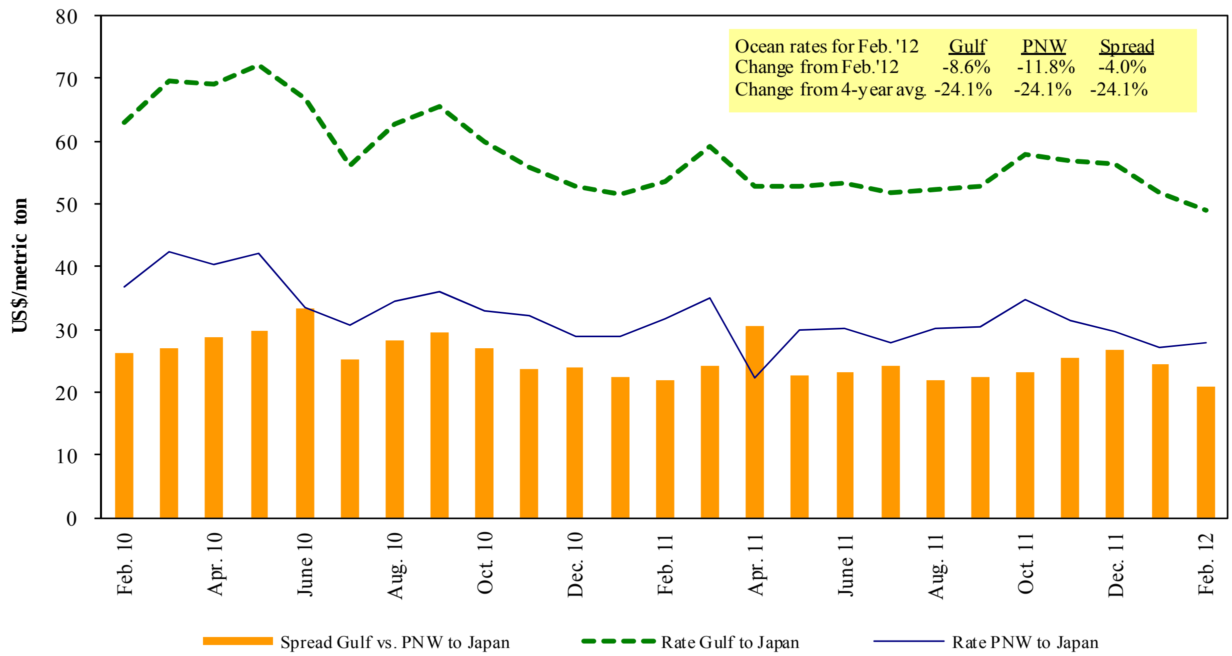
U.S. Gulf[1] Vessel Loading Activity



Source:Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 3/10/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Mar 1/10	50,000	46.65
U.S. Gulf	China	Heavy Grain	Feb 20/29	55,000	46.70
U.S. Gulf	Korea	Heavy Grain	Mar 1/10	55,000	46.00
U.S. Gulf	Japan	Heavy Grain	Apr 1/10	58,000	46.00
U.S. Gulf	Tunisia	Soybeans	Jan 10/15	30,000	37.50
U.S. Gulf	Turkey	Heavy Grain	Feb 25/28	50,000	25.00
U.S. Gulf	Kenya[1]	Wheat	Jan 16/25	11,000	188.00
PNW	China	Grain	Jan 10/20	55,000	26.75
Australia	Vietnam	Grain	Mar 1/10	60,000	19.00
Brazil	Tunisia	Wheat	Feb 14/16	23,750	38.50
Brazil	Taiwan	Heavy Grain	Feb 1/10	65,000	29.50
Brazil	China	Heavy Grain	Apr 1/10	60,000	47.75
Brazil	China	Heavy Grain	Mar 5/15	60,000	43.00
Brazil	China	Heavy Grain	Mar 1/10	60,000	44.75
Brazil	China	Grain	Mar 1/10	55,000	47.00
River Plate	Algeria	Corn	Feb 21/22	25,000	34.00
River Plate	China	Heavy Grain	Feb 20/25	60,000	45.00
River Plate	Egypt Med	Corn	Feb 25/ Mar 5	30,000	39.25
River Plate	South Africa	Wheat	Feb 15/20	25,000	29.00

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

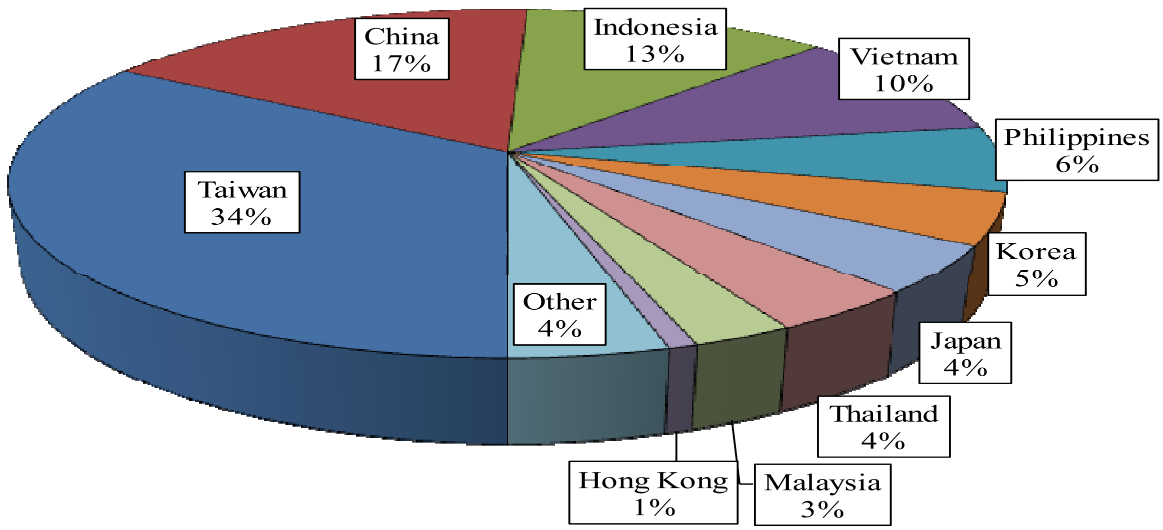
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2010, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 7 percent of U.S. grain exports to Asia. Asia is the top destination for U.S. containerized grain exports—94 percent in 2010.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2011

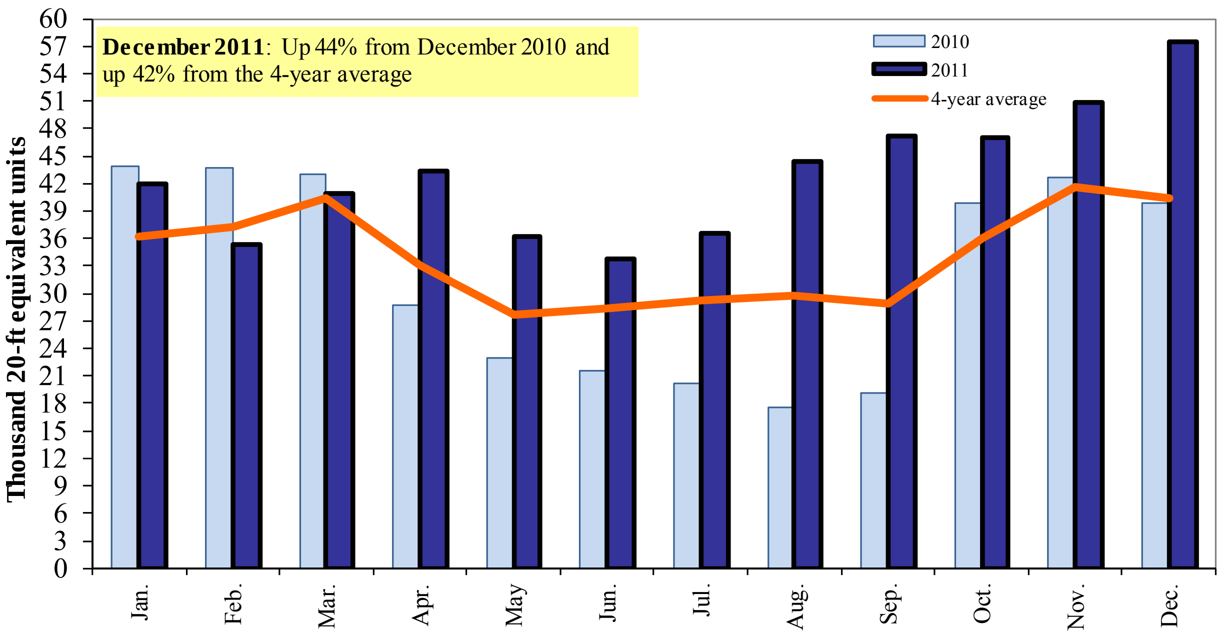


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 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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