United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
www.ams.usda.gov/GTR

Contact Us

May 14, 2015

Contents

The next release is May 21, 2015

WEEKLY HIGHLIGHTS

Gulf Vessel Loading Activity Remained Strong As Ocean Rates Fell

Over the past 10 weeks, grain vessel loading activity in the U.S. Gulf remained relatively strong as bulk ocean freight rates remained at historically low levels. During the week ending May 7, 40 **ocean-going grain vessels** were loaded in the Gulf, 21 percent more than the same period last year. Forty-nine vessels are expected to be loaded within the next 10 days, 7 percent more than the same period last year. During the past 10 weeks, an average of 34 vessels were loaded per week, 55 vessels were expected or due in the next 10 days, while 43 vessels were loading or waiting to be loaded in the U.S. Gulf. The weekly average number of loaded vessels is the same as the 3-year average, while the number of vessels loading or waiting to be loaded and the number of expected vessels were 23 and 31 percent more than the 3-year average. The higher number of vessels loading or waiting to load and vessels due in the next 10 days indicates strong short-term demand for grain vessels. Meanwhile, ocean freight rates for shipping bulk grain from the U.S. Gulf to Japan have fallen 6 percent during the past 10 weeks.

Grain Inspections Rebound Despite Lower PNW Rail Movements

For the week ending May 7, **total inspections of grain** (corn, wheat, soybeans) from all major export regions reached 1.8 million metric tons (mmt), up 16 percent from the past week, down 12 percent from last year, and 9 percent above the 3-year average. Inspections of each of the major grains were up from the previous week as shipments increased to Latin America. Total inspections, helped by strong barge movements, were pushed up by higher Mississippi Gulf grain inspections (1.17 mmt), which increased 29 percent from the past week. Inspections of grain in the Pacific Northwest (PNW), however, decreased 55 percent from the previous week due to lower shipments to Asia. This drop was reflected in lower rail deliveries of grain to ports in the PNW.

STB Announces Two Hearings Impacting Grain Shippers

On May 8, the Surface Transportation Board (STB) announced it will be holding two public hearings regarding ongoing proceedings. The first hearing is scheduled for June 10 and will examine issues related to the accessibility of rate complaint procedures for grain shippers. This hearing continues the proceeding in which the STB sought ways to make the rate reasonableness process more accessible to grain shippers. The second hearing is scheduled for July 22-23 and will examine issues on how the STB calculates the railroad industry's cost of equity capital and the use of revenue adequacy in rate reasonableness cases. Such calculations affect the ability of shippers to file rate challenges and the relief to which they are entitled.

Diesel Fuel Prices Continue Higher

During the week ending May 11, diesel fuel prices increased 2 cents per gallon and a total of 12 cents over the past 4 weeks. The Energy Information Administration (EIA) reported that crude oil spot prices in April reached the highest monthly average so far this year. Several factors put upward pressure on crude oil prices including: indications that global oil demand growth is accelerating, evidence that U.S. tight oil production could decline in the coming months, and the growing risk of unplanned supply outages in the Middle East and North Africa.

Snapshots by Sector

Export Sales

During the week ending April 30, **unshipped balances** of wheat, corn, and soybeans totaled 19.3 mmt, 9 percent lower than at the same time last year. **Corn export sales** reached 0.842 mmt, up 1 percent and **wheat export sales** had a net reduction of 0.148 mmt from the previous week. **Soybean export sales** of 0.339 mmt were down 22 percent from the previous week.

Rail

U.S. railroads originated 18,437 **carloads of grain** during the week ending May 2, down 7 percent from last week, 12 percent from last year, and 2 percent from the 3-year average.

During the week ending May 7, average May shuttle **secondary railcar bids/offers per car** were $288 below tariff, down $88 from last week and $288 lower than last year. Non-shuttle secondary railcar bids/offers were $135 below tariff, down $10 from last week and $335 lower than last year.

Barge

During the week ending May 9, **barge grain movements** totaled 718,240 tons—about 15 percent lower than the previous week and 1 percent higher than the same period last year.

During the week ending May 9, 481 grain barges **moved down river**, down 11 percent from last week; 676 grain barges were **unloaded in New Orleans**, up 16 percent from the previous week.

Ocean

During the week ending May 8, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $30 per metric ton (mt), 2 percent less than the previous week. The cost of shipping from the PNW to Japan was $16.25 per mt, 4 percent less than the previous week.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report*. May 14, 2015.
Web: http://dx.doi.org/10.9752/TS056.05-14-2015

Feature Article/Calendar

Much Lower Ocean Rates Helped Push First Quarter Wheat Transportation Costs Down

In 2015, first quarter transportation costs for shipping wheat from Kansas and North Dakota to Japan fell from the previous quarter, primarily because of much lower ocean rates and slightly lower rail rates. Year-to-year transportation costs for shipping wheat from each State through the Pacific Northwest (PNW) and Gulf decreased because of lower truck, rail, and ocean rates on most routes (see *tables 1 and 2*). Lower to mostly unchanged farm values in addition to lower transportation costs contributed to lower first quarter total landed costs compared to last year and last quarter.

Quarter-to-quarter transportation costs for shipping wheat through the PNW to Japan decreased 8 percent from Kansas and 9 percent from North Dakota. Transportation costs to ship through the Gulf decreased 14 percent for Kansas and 12 percent for North Dakota for the same period. Truck rates were mostly unchanged quarter to quarter. Year-to-year costs for shipping wheat to Japan through the PNW were down 12 percent from Kansas and 14 percent from North Dakota, and down 26 percent from Kansas and 20 percent from North Dakota through the Gulf for the same period (see *tables 1 and 2).*

Table 1: Quarterly rate comparisons for shipping KS & ND wheat to Japan through the PNW

	KS					ND				
Mode	2014 1st qtr	2014 4th qtr	2015 1st qtr	Year-to-Year change	Quarterly change	2014 1st qtr	2014 4th qtr	2015 1st qtr	Year-to-Year change	Quarterly change
	$/metric ton			%	%	$/metric ton			%	%
Truck	13.79	12.06	12.03	-12.76	-0.25	13.79	12.06	12.03	-12.76	-0.25
Rail[1]	55.75	57.58	56.26	0.91	-2.29	56.46	56.37	54.50	-3.47	-3.32
Ocean vessel	28.30	23.88	17.83	-37.00	-25.34	28.30	23.88	17.83	-37.00	-25.34
Transportation Costs	97.84	93.52	86.12	-11.98	-7.91	98.55	92.31	84.36	-14.40	-8.61
Farm Value[2]	249.61	213.60	202.46	-18.89	-5.22	232.71	212.62	213.11	-8.42	0.23
Total Landed Cost	347.45	307.12	288.58	-16.94	-6.04	331.26	304.93	297.47	-10.20	-2.45
Transport % of landed cost	28.16	30.45	29.84			29.75	30.27	28.36		

Table 2: Quarterly rate comparisons for shipping KS & ND wheat to Japan through the Gulf

	KS					ND				
Mode	2014 1st qtr	2014 4th qtr	2015 1st qtr	Year-to-Year change	Quarterly change	2014 1st qtr	2014 4th qtr	2015 1st qtr	Year-to-Year change	Quarterly change
	$/metric ton			%	%	$/metric ton			%	%
Truck	13.79	12.06	12.03	-12.76	-0.25	13.79	12.06	12.03	-12.76	-0.25
Rail[1]	40.08	36.67	35.94	-10.33	-1.99	65.87	65.50	63.82	-3.11	-2.56
Ocean vessel	54.22	44.00	31.71	-41.52	-27.93	54.22	44.00	31.71	-41.52	-27.93
Transportation Costs	108.09	92.73	79.68	-26.28	-14.07	133.88	121.56	107.56	-19.66	-11.52
Farm Value[2]	249.61	213.60	202.46	-18.89	-5.22	232.71	212.62	213.11	-8.42	0.23
Total Landed Cost	357.70	306.33	282.14	-21.12	-7.90	366.59	334.18	320.67	-12.53	-4.04
Transport % of landed cost	30.22	30.27	28.24			36.52	36.38	33.54		

Source: USDA/AMS/TMP

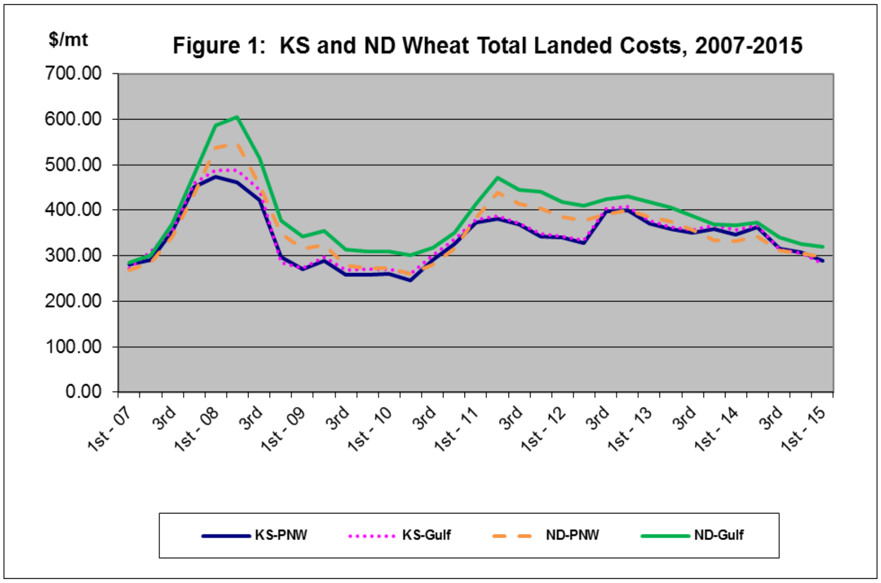
[1] Rail tariff rates include fuel surcharges and revisions for heavy axle railcars and shuttle trains. The rail tariff rate is a base price of rail freight rates, but during periods of high rail demand or car shortages, high auction and secondary market rates could exceed the base rail tariffs per car

[2] Source: USDA/NASS, wheat prices for North Dakota (mainly HRS) and Kansas (mainly HRW)

Quarter-to-quarter ocean freight rates for shipping wheat to Japan decreased 25 percent in the PNW and 28 percent in the Gulf during the first quarter (*see tables 1, 2*). Ocean rates continued to drop as global demand for bulk shipping continued to fall, and vessel supply remained high (*see* ***GTR dated 4/16/15***). Compared to last year, ocean rates for shipping wheat to Japan decreased 37 percent through the PNW and 42 percent through the Gulf.

Quarter-to-quarter rail tariff rates for shipping wheat to the PNW decreased 2 percent from Kansas and 3 percent from North Dakota (*see table 1*). Compared to last year, however, wheat rail rates from Kansas to the PNW increased 1 percent, but rates decreased 3 percent from North Dakota. Quarter-to-quarter rail rates for shipping wheat from Kansas and North Dakota to the Gulf fell 2 and 3 percent (*see table 2*). Year-to-year rail rates to the Gulf decreased 10 percent from Kansas and 3 percent from North Dakota. Quarter-to-quarter truck rates had only a slight decrease (less than 1 percent), but year-to-year rates dropped 13 percent.

First quarter 2015 total landed costs for shipping wheat from each State were down from the previous quarter and last year (*tables 1 and 2*). Lower ocean and rail rates caused the drop in each State, but also lower farm values pushed down Kansas landed costs. Year-to-year landed costs decreased as all modes experienced a drop in rates, with the exception of rail rates from Kansas to PNW. The landed costs for shipping wheat ranged from $282 to $321 per metric ton (mt), averaging $293 per mt in the PNW and $302 per mt in the Gulf (*tables 1 and 2*). First quarter transportation costs represented 30 and 28 percent of the total landed costs through the PNW—down from the previous quarter for each State. The percentage of transportation cost compared to the total landed cost in the PNW was slightly above last year for Kansas but slightly below last year for North Dakota. The percentage of transportation cost of the total landed costs were 28 to 34 percent for shipping wheat through the Gulf during the first quarter, below the previous quarter and last year for each State (tables 1 and 2).



Total landed costs for shipping wheat to Japan from North Dakota and Kansas peaked during the second quarter of 2008, due to higher farm values and ocean rates (s*ee figure 1*). Landed costs increased from the second quarter of 2010 through the second quarter of 2011 but have been decreasing since then. Lower landed costs could make U.S. wheat more attractive to foreign buyers.

According to the Grain Inspection, Packers and Stockyards Administration, first quarter 2014 inspections of wheat for export to Japan totaled 0.894 million metric tons (mmt), up 38 percent from last year, and 48 percent above the fourth quarter 2014. First quarter wheat exports to Japan rose as demand increased for hard red spring, soft white wheat, and hard red wheat; amongst higher production. Total first quarter wheat exports to Japan accounted for about 19 percent of total U.S. wheat exports, which reached 4.8 mmt. Total first quarter wheat exports decreased 14 percent from last year but increased 7 percent from the fourth quarter of 2014. According to USDA's May forecast, 2014/15 U.S. wheat exports are expected to reach 23.4 mmt, down 27 percent from last year, but wheat exports are projected to increase in 2015/16 by about 7.5 percent to 25.2 mmt. Johnny.Hill@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
Week ending		Unit Train	Shuttle		Gulf	Pacific
05/13/15	193	244	224	227	134	115
05/06/15	192	245	204	219	138	121

[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	5/8/2015	5/1/2015
Corn	IL--Gulf	-0.78	-0.77
Corn	NE--Gulf	-0.79	-0.82
Soybean	IA--Gulf	-1.21	-1.17
HRW	KS--Gulf	-1.07	-1.08
HRS	ND--Portland	-2.34	-2.45

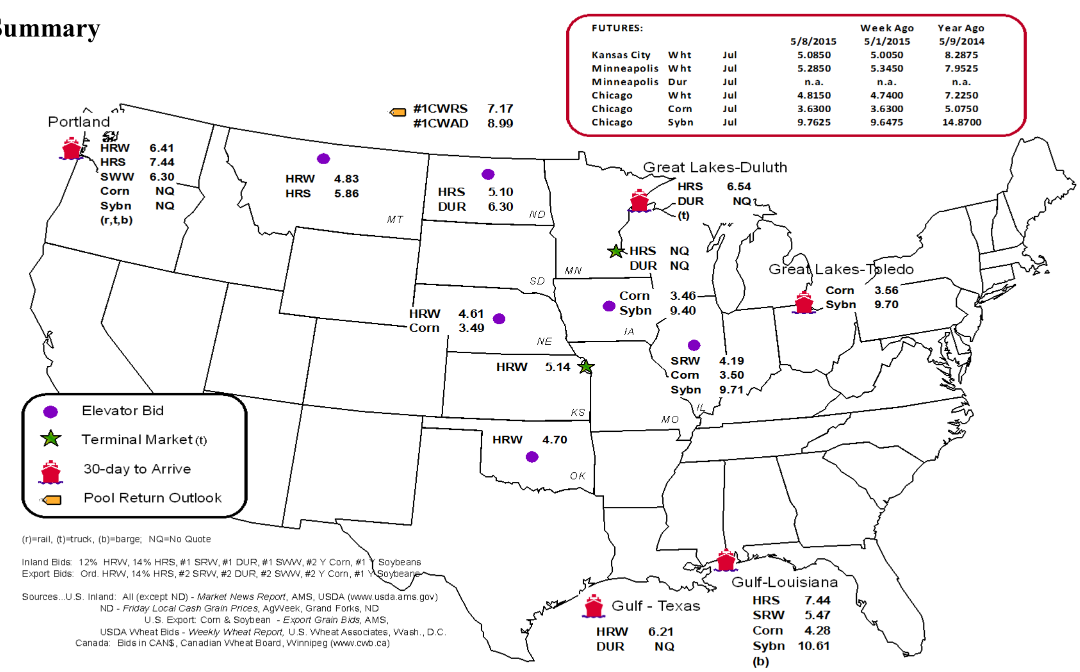
Note: nq = no quote

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]
5/06/2015[p]	103	1,749	1,614	362	3,828	5/2/2015	1,687
4/29/2015[r]	216	2,035	3,043	296	5,590	4/25/2015	2,060
2015 YTD[r]	10,115	26,161	92,814	11,365	140,455	2015 YTD	30,246
2014 YTD[r]	19,072	30,252	93,593	14,262	157,179	2014 YTD	32,090
2015 YTD as % of 2014 YTD	53	86	99	80	89	% change YTD	94
Last 4 weeks as % of 2014[2]	22	89	60	52	63	Last 4wks % 2014	98
Last 4 weeks as % of 4-year avg.[2]	60	110	91	80	94	Last 4wks % 4 yr	91
Total 2014	44,621	83,674	256,670	32,107	417,072	Total 2014	96,467
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	71,397

[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

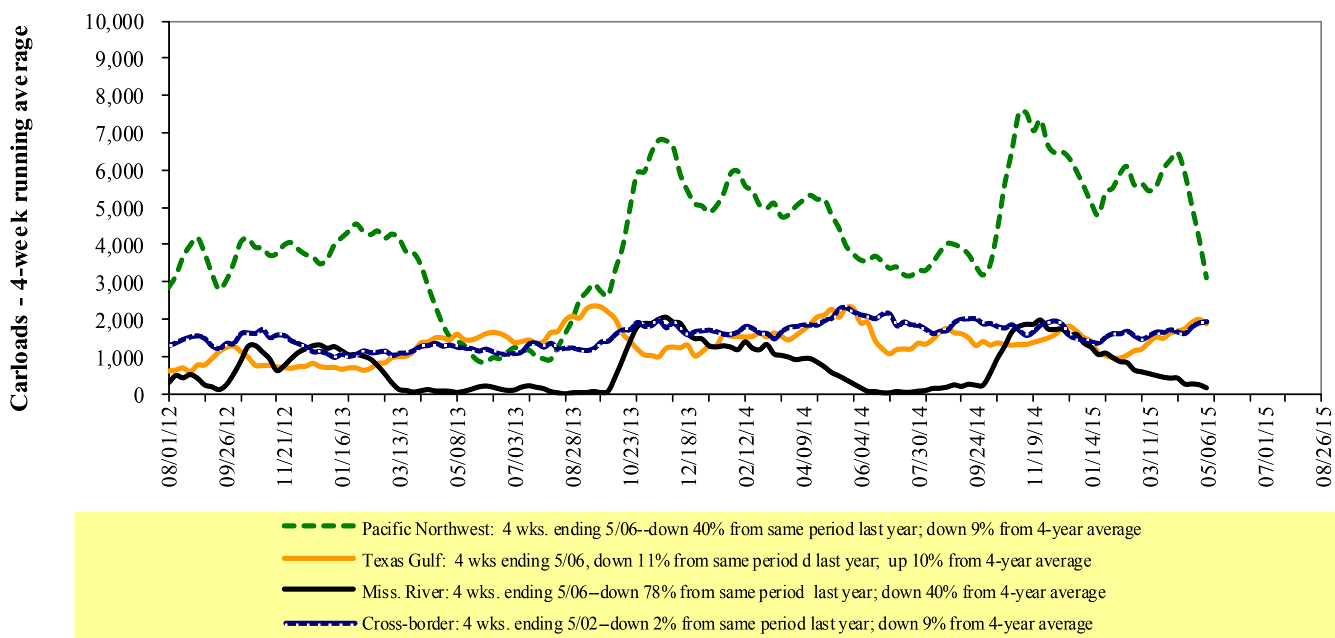
Source: Transportation & Marketing Programs/AMS/USDA

-

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)

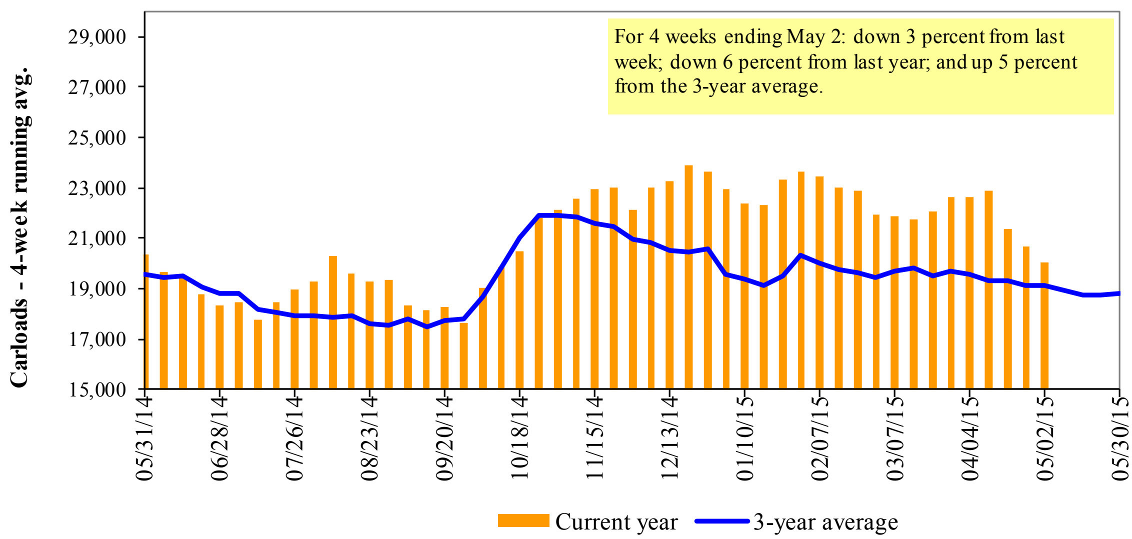
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
05/02/15	1,647	3,049	8,411	1,102	4,228	18,437	4,583	4,604
This week last year	1,789	2,731	9,616	550	6,332	21,018	5,566	5,591
2015 YTD	35,344	52,134	180,680	14,375	91,567	374,100	70,355	73,615
2014 YTD	32,991	51,401	151,504	16,085	99,356	351,337	73,748	85,892
2015 YTD as % of 2014 YTD	107	101	119	89	92	106	95	86
Last 4 weeks as % of 2014[1]	108	98	99	86	86	96	83	80
Last 4 weeks as % of 3-yr avg.[2]	113	113	103	123	100	106	97	84
Total 2014	103,331	153,771	482,431	47,510	297,969	1,085,012	242,616	276,322

[1]The past 4 weeks of this year as a percent of the same 4 weeks last year.

[2]The past 4 weeks as a percent of the same period from the prior 3-year average. YTD = year-to-date.

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**							
5/7/2015	**May-15**	**May-14**	**Jun-15**	**Jun-14**	**Jul-15**	**Jul-14**	**Aug-15**	**Aug-14**
BNSF[3]								
COT grain units	no bids	no offer	no bids	no offer	no bids	no offer	20	no offer
COT grain single-car[5]	no bids	no offer	no bids	no offer	no bids	no offer	1 . . 41	no offer
UP[4]								
GCAS/Region 1	no bids	no offer	no bids	no offer	no bids	no offer	n/a	n/a
GCAS/Region 2	no bids	no offer	no bids	no offer	no bids	no offer	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.

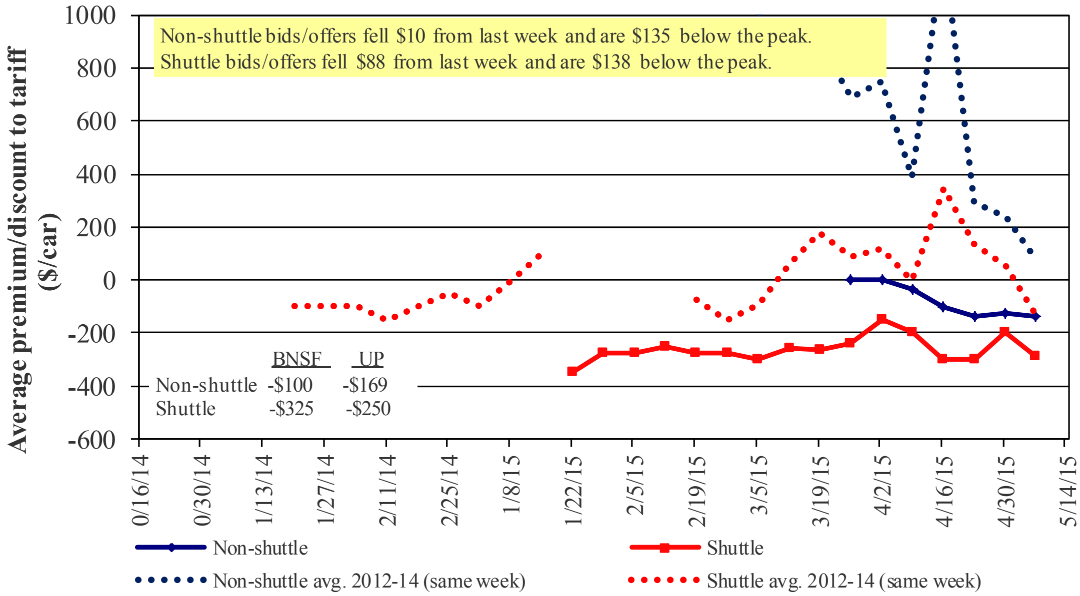
[5]Range is shown because average is not available. Not available = n/a.

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 May 2015, Secondary Market

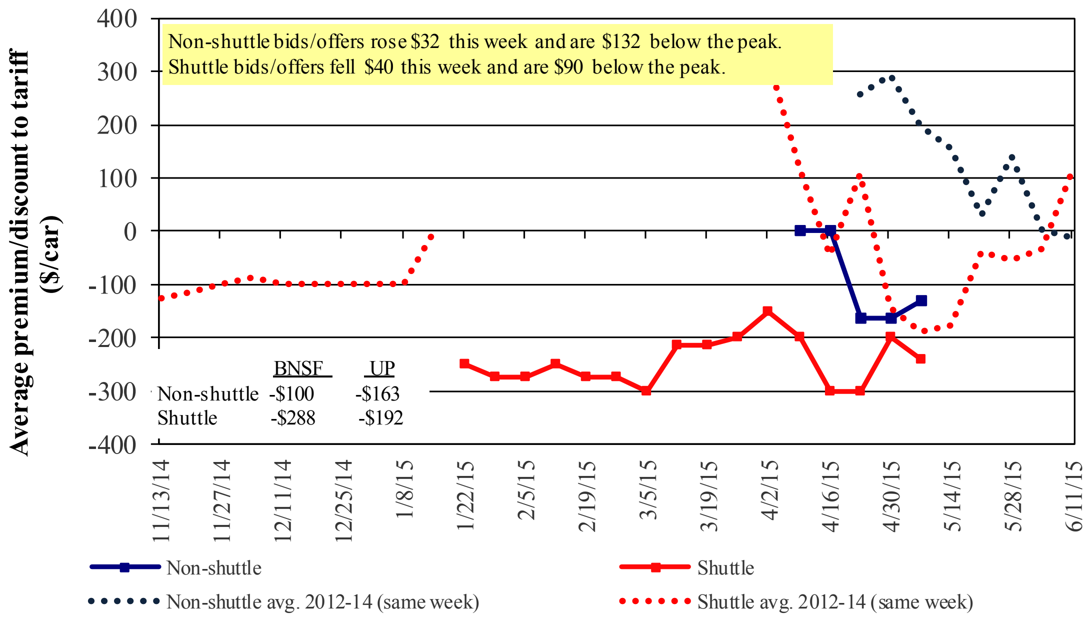


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in June 2015, Secondary Market

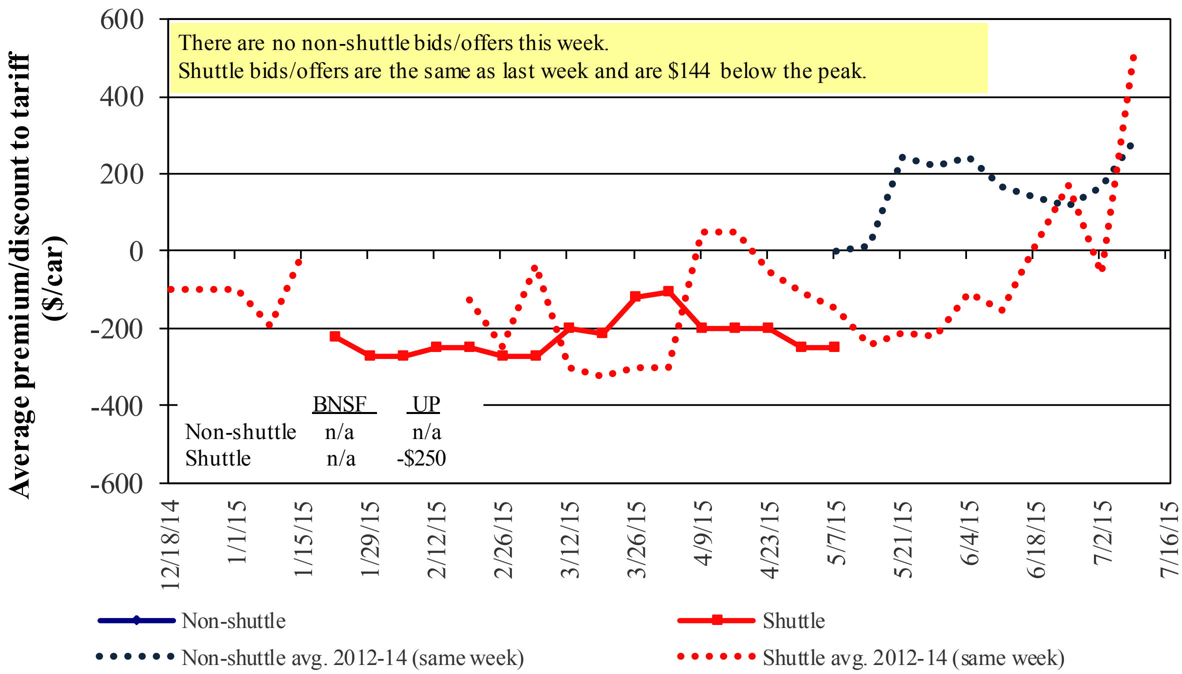


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in July 2015, 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					
5/7/2015	**May-15**	**Jun-15**	**Jul-15**	**Aug-15**	**Sep-15**	**Oct-15**
Non-shuttle						
BNSF-GF	(100)	(100)	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2014	n/a	(1,025)	n/a	n/a	n/a	n/a
UP-Pool	(169)	(163)	n/a	n/a	n/a	n/a
Change from last week	(19)	-	n/a	n/a	n/a	n/a
Change from same week 2014	(369)	(363)	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(325)	(288)	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 2014	(325)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(250)	(192)	(250)	(250)	(250)	250
Change from last week	(50)	8	-	-	-	(275)
Change from same week 2014	n/a	(92)	(150)	50	(350)	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.

The **tariff rail rate** is the base price of freight rail service, and together with **fuel surcharges** and any **auction and secondary rail** values constitute the full cost of shipping by rail. Typically, auction and secondary rail values are a small fraction of the full cost of shipping by rail relative to the tariff rate. High auction and secondary rail values, during times of high rail demand or short supply, can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

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

Effective date: 5/1/2015	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	$3,387	$81	$34.44	$0.94	2
	Grand Forks, ND	Duluth-Superior, MN	$4,143	$30	$41.44	$1.13	12
	Wichita, KS	Los Angeles, CA	$6,950	$153	$70.54	$1.92	4
	Wichita, KS	New Orleans, LA	$4,026	$142	$41.39	$1.13	0
	Sioux Falls, SD	Galveston-Houston, TX	$6,486	$126	$65.66	$1.79	5
	Northwest KS	Galveston-Houston, TX	$4,293	$156	$44.18	$1.20	0
	Amarillo, TX	Los Angeles, CA	$4,492	$217	$46.76	$1.27	-2
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,328	$161	$34.65	$0.88	-3
	Toledo, OH	Raleigh, NC	$5,555	$199	$57.14	$1.45	12
	Des Moines, IA	Davenport, IA	$2,168	$34	$21.87	$0.56	2
	Indianapolis, IN	Atlanta, GA	$4,761	$150	$48.76	$1.24	12
	Indianapolis, IN	Knoxville, TN	$4,104	$96	$41.71	$1.06	14
	Des Moines, IA	Little Rock, AR	$3,308	$100	$33.84	$0.86	-2
	Des Moines, IA	Los Angeles, CA	$4,852	$292	$51.08	$1.30	-13
Soybeans	Minneapolis, MN	New Orleans, LA	$3,699	$149	$38.21	$1.04	0
	Toledo, OH	Huntsville, AL	$4,676	$141	$47.84	$1.30	20
	Indianapolis, IN	Raleigh, NC	$5,625	$201	$57.85	$1.57	12
	Indianapolis, IN	Huntsville, AL	$4,368	$96	$44.33	$1.21	24
	Champaign-Urbana, IL	New Orleans, LA	$3,974	$161	$41.06	$1.12	0
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,953	$88	$40.13	$1.09	1
	Wichita, KS	Galveston-Houston, TX	$3,919	$69	$39.60	$1.08	-2
	Chicago, IL	Albany, NY	$4,723	$187	$48.76	$1.33	13
	Grand Forks, ND	Portland, OR	$5,611	$152	$57.23	$1.56	0
	Grand Forks, ND	Galveston-Houston, TX	$6,532	$158	$66.44	$1.81	0
	Northwest KS	Portland, OR	$5,260	$256	$54.77	$1.49	-3
Corn	Minneapolis, MN	Portland, OR	$5,180	$185	$53.28	$1.35	-6
	Sioux Falls, SD	Tacoma, WA	$5,130	$170	$52.63	$1.34	-5
	Champaign-Urbana, IL	New Orleans, LA	$3,147	$161	$32.85	$0.83	-3
	Lincoln, NE	Galveston-Houston, TX	$3,610	$99	$36.83	$0.94	-5
	Des Moines, IA	Amarillo, TX	$3,690	$126	$37.89	$0.96	-2
	Minneapolis, MN	Tacoma, WA	$5,180	$184	$53.26	$1.35	-6
	Council Bluffs, IA	Stockton, CA	$4,600	$190	$47.57	$1.21	-6
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,690	$170	$58.19	$1.58	-5
	Minneapolis, MN	Portland, OR	$5,710	$185	$58.54	$1.59	-5
	Fargo, ND	Tacoma, WA	$5,580	$151	$56.91	$1.55	-5
	Council Bluffs, IA	New Orleans, LA	$4,425	$186	$45.79	$1.25	0
	Toledo, OH	Huntsville, AL	$3,851	$141	$39.65	$1.08	26
	Grand Island, NE	Portland, OR	$5,360	$262	$55.83	$1.52	-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: 5/1/2015				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	$7,599	$161	$79.29	$2.16	11
	OK	Cuautitlan, EM	$6,605	$195	$69.48	$1.89	-1
	KS	Guadalajara, JA	$7,050	$189	$73.96	$2.01	-3
	TX	Salinas Victoria, NL	$4,014	$74	$41.76	$1.14	2
Corn	IA	Guadalajara, JA	$8,427	$222	$88.37	$2.24	-2
	SD	Celaya, GJ	$7,780	$210	$81.64	$2.07	-6
	NE	Queretaro, QA	$7,618	$197	$79.86	$2.03	-4
	SD	Salinas Victoria, NL	$6,035	$160	$63.30	$1.61	-5
	MO	Tlalnepantla, EM	$6,963	$192	$73.11	$1.86	-5
	SD	Torreon, CU	$7,050	$176	$73.83	$1.87	-2
Soybeans	MO	Bojay (Tula), HG	$8,365	$187	$87.38	$2.38	0
	NE	Guadalajara, JA	$8,929	$214	$93.42	$2.54	-1
	IA	El Castillo, JA	$9,270	$209	$96.85	$2.63	-2
	KS	Torreon, CU	$7,226	$133	$75.19	$2.04	0
Sorghum	TX	Guadalajara, JA	$7,150	$137	$74.45	$1.89	-2
	NE	Celaya, GJ	$7,404	$191	$77.60	$1.97	-4
	KS	Queretaro, QA	$7,255	$120	$75.35	$1.91	4
	NE	Salinas Victoria, NL	$5,883	$141	$61.54	$1.56	2
	NE	Torreon, CU	$6,662	$157	$69.67	$1.77	0

[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

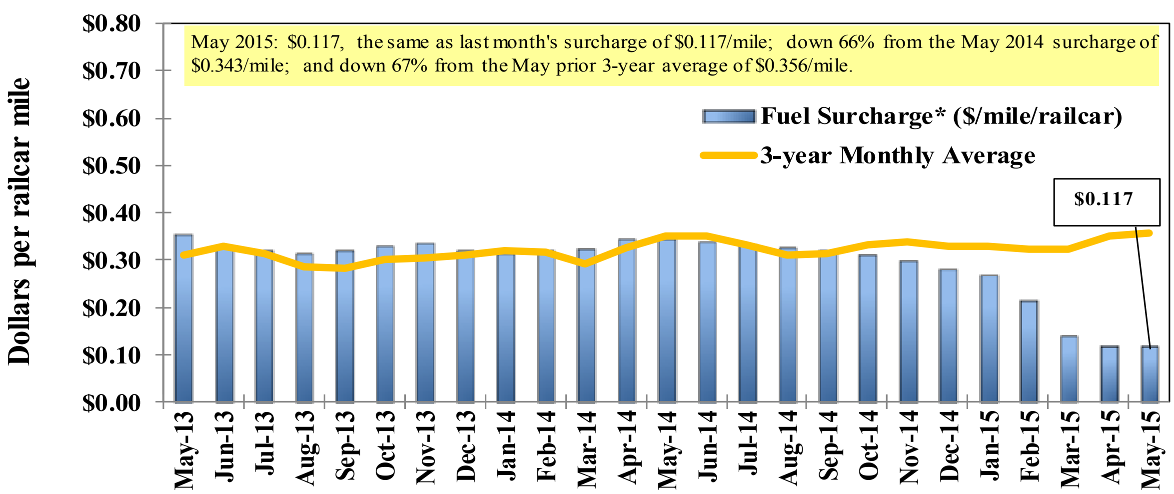
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[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.

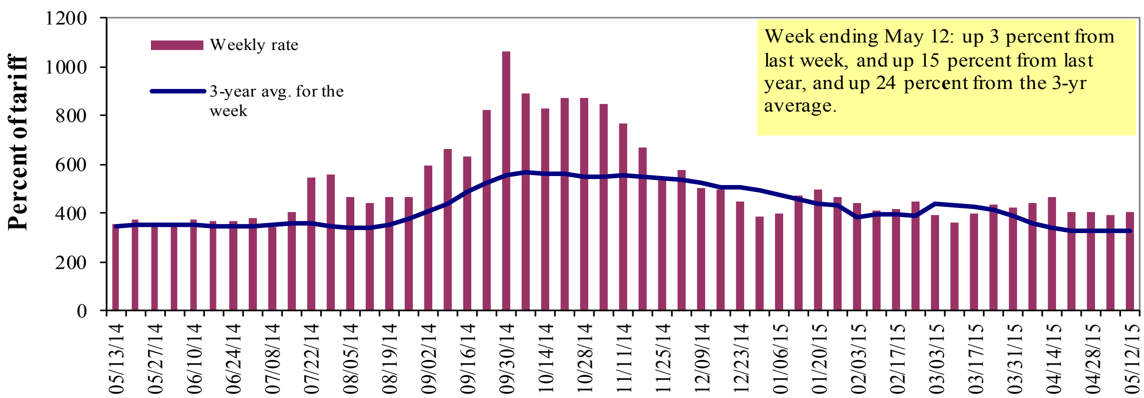
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]	5/12/2015	413	410	408	263	250	250	235
	5/5/2015	395	385	395	273	273	273	268
$/ton	5/12/2015	25.56	21.81	18.93	10.49	11.73	10.10	7.38
	5/5/2015	24.45	20.48	18.33	10.89	12.80	11.03	8.42
Current week % change from the same week:								
	Last year	-7	14	15	6	1	1	16
	3-year avg. [2]	-4	17	24	12	2	2	18
Rate[1]	June	408	378	375	258	238	238	230
	August	408	408	413	363	375	375	350

[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

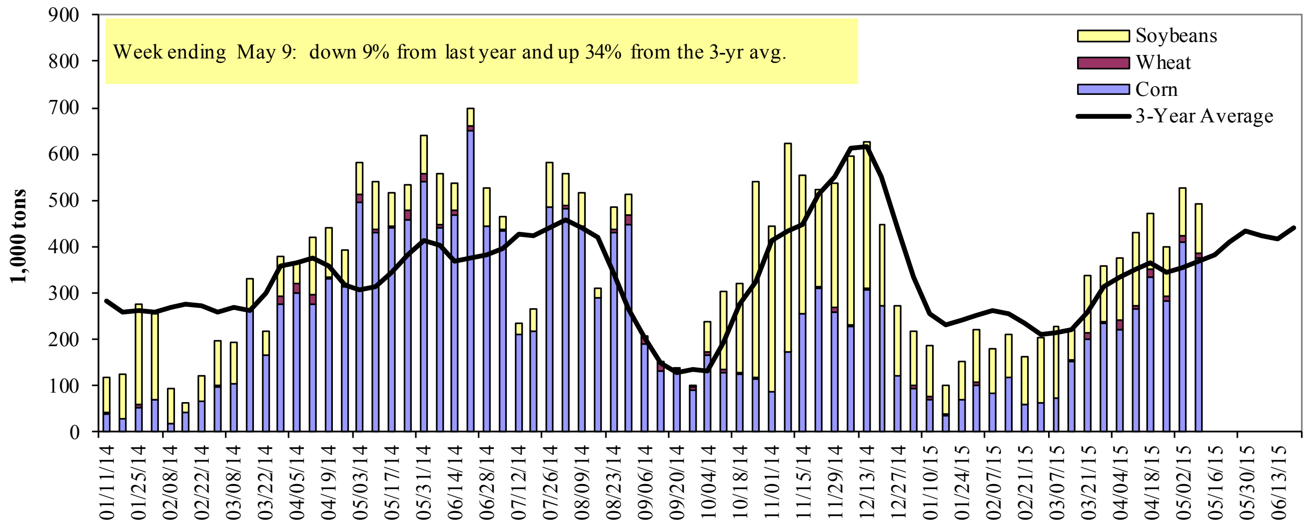
Figure 9
Benchmark tariff rates

Calculating barge rate per ton:
(Rate * 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.

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 05/9/2015	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	89	6	66	0	161
Winfield, MO (L25)	225	6	80	2	313
Alton, IL (L26)	378	9	100	0	488
Granite City, IL (L27)	377	9	106	0	493
Illinois River (L8)	164	3	18	0	186
Ohio River (L52)	155	4	40	0	198
Arkansas River (L1)	0	17	10	0	27
Weekly total - 2015	531	30	157	0	718
Weekly total - 2014	548	37	127	2	713
2015 YTD[1]	6,239	535	4,111	87	10,971
2014 YTD	7,047	657	3,744	63	11,511
2015 as % of 2014 YTD	89	81	110	138	95
Last 4 weeks as % of 2014[2]	96	112	145	224	105
Total 2014	20,693	2,181	11,813	258	34,946

[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.

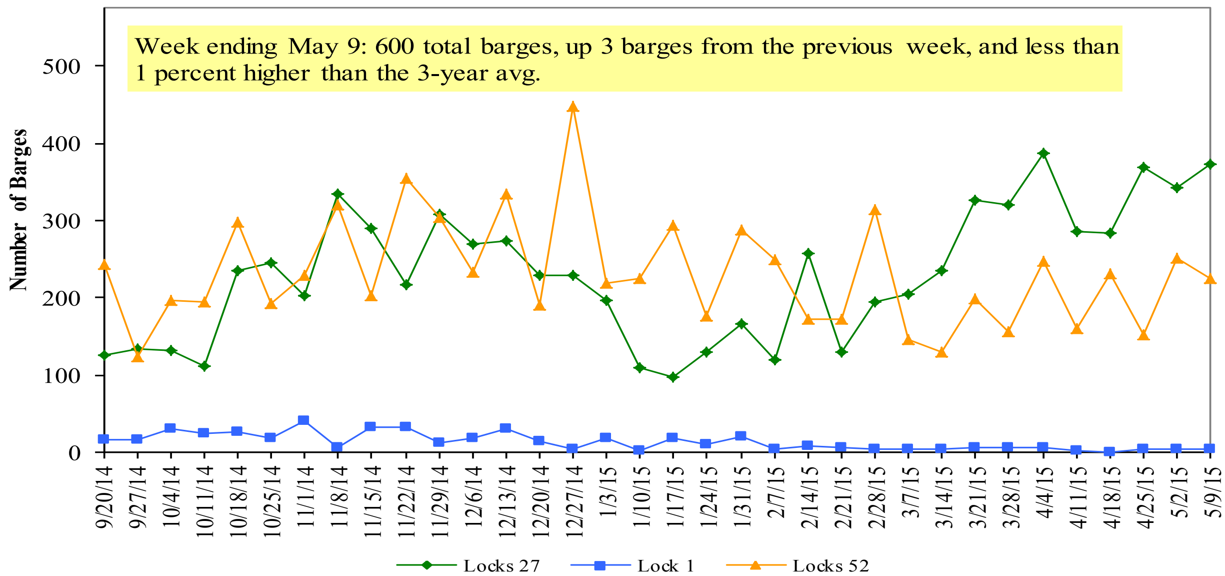
[2] As a percent of same period in 2014.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers

Figure 11

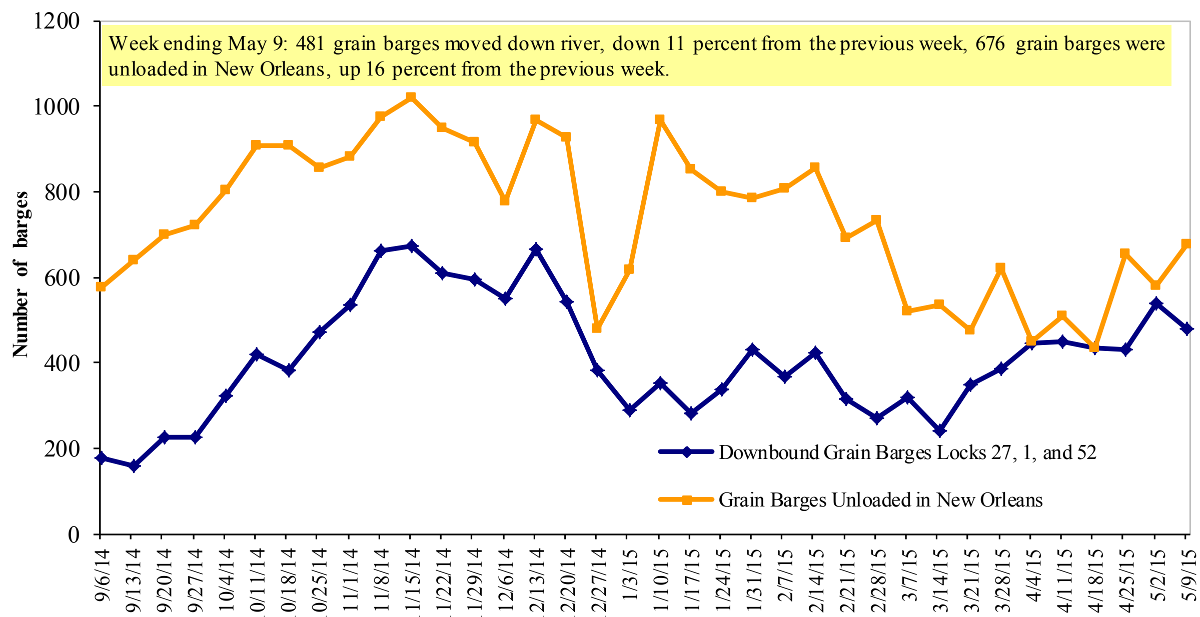
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 05/11/2014 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.997	0.019	-1.044
	New England	3.091	0.025	-1.066
	Central Atlantic	3.151	0.018	-1.005
	Lower Atlantic	2.860	0.016	-1.067
II	Midwest[2]	2.748	0.033	-1.173
III	Gulf Coast[3]	2.771	0.020	-1.026
IV	Rocky Mountain	2.772	0.008	-1.198
V	West Coast	3.139	0.027	-0.897
	West Coast less California	3.002	0.031	-0.926
	California	3.250	0.023	-0.876
Total	U.S.	2.878	0.024	-1.070

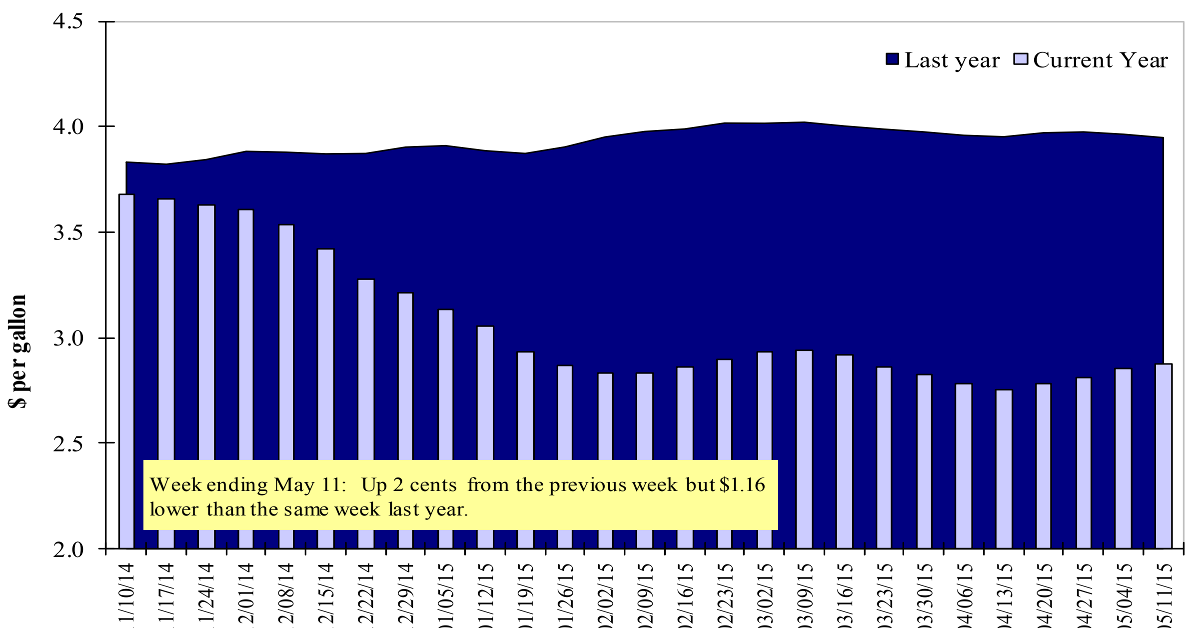
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
4/30/2015	759	360	739	398	55	2,311	13,182	3,820	19,313
This week year ago	1,262	556	1,260	604	113	3,794	14,908	2,513	21,215
Cumulative exports-marketing year[2]									
2014/15 YTD	6,513	3,366	6,743	3,518	628	20,768	27,977	45,591	94,336
2013/14 YTD	10,686	6,967	5,819	3,905	422	27,799	29,262	42,122	99,183
YTD 2014/15 as % of 2013/14	61	48	116	90	149	75	96	108	95
Last 4 wks as % of same period 2013/14	80	87	86	91	63	84	92	145	97
2013/14 Total	11,465	7,307	6,338	4,367	486	29,963	46,868	44,478	121,309
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293

[1] Current unshipped export sales to date

[2] Shipped export sales to date; new marketing year 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 04/30/2015	Total Commitments[2]			% change	Exports[3]
	2015/16	2014/15	2013/14	current MY	3-year avg
	Next MY	Current MY	Last MY	from last MY	2011-2013
		- 1,000 mt -			- 1,000 mt -
Japan	691	9,277	10,080	(8)	10,079
Mexico	961	9,737	9,597	1	8,145
Korea	0	2,953	3,268	(10)	2,965
Colombia	6	3,606	2,745	31	3,461
Taiwan	0	1,688	1,600	5	1,238
Top 5 Importers	**1,658**	**27,261**	**27,290**	**(0)**	**25,887**
Total US corn export sales	**2,195**	**41,159**	**44,169**	**(7)**	**34,445**
% of Projected	5%	89%	91%		
Change from prior week	**55**	842	161		
Top 5 importers' share of U.S. corn export sales	76%	66%	62%		75%
USDA forecast, May 2015	**48,260**	**46,360**	**48,700**	**(5)**	
Corn Use for Ethanol USDA forecast, May 2015	**132,080**	**132,080**	**130,404**	**1**	

(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 Ranking Reports - http://apps.fas.usda.gov/export-sales/myrkaug.htm; 3-yr average

Table 14

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

Week Ending 04/30/2015	Total Commitments[2] 2015/16 Next MY	2014/15 Current MY	2013/14 Last MY	% change current MY from last MY	Exports[3] 3-yr avg. 2011-13
		- 1,000 mt -			- 1,000 mt -
China	2,309	29,901	27,598	8	24,211
Mexico	256	3,038	3,005	1	2,971
Indonesia	0	1,615	2,066	(22)	1,895
Japan	150	1,685	1,741	(3)	1,750
Taiwan	1	1,165	1,101	6	1,055
Top 5 importers	**2,716**	**37,404**	**35,510**	**5**	**31,882**
Total US soybean export sales	**4,324**	**49,411**	**44,634**	**11**	**39,169**
% of Projected		101%	100%		
Change from prior week	350	339	41		
Top 5 importers' share of U.S. soybean export sales	63%	76%	80%		**81%**
USDA forecast, April 2015	**48,310**	**48,990**	**44,820**	**9**	

(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 04/30/2015	Total Commitments[2] 2015/16 Next MY	2014/15 Current MY	2013/14 Last MY	% change current MY from last MY	Exports[3] 3-yr avg 2011-2013
		- 1,000 mt -			- 1,000 mt -
Japan	50	3,085	3,076	0	3,243
Mexico	169	2,715	3,090	(12)	3,066
Nigeria	234	1,968	2,693	(27)	2,960
Philippines	260	2,419	2,107	15	2,006
China	118	383	4,272	(91)	1,830
Brazil	60	1,534	4,200	(63)	1,617
Korea	269	1,174	1,311	(10)	1,552
Taiwan	86	988	1,022	(3)	969
Indonesia	10	635	1,141	(44)	813
Colombia	73	578	761	(24)	610
Top 10 importers	**1,329**	**15,478**	**23,672**	(35)	**18,665**
Total US wheat export sale	**2,900**	**23,078**	**30,993**	**(26)**	**27,696**
% of Projected	12%	99%	97%		
Change from prior week*	447	(148)	(279)		
Top 10 importers' share of U.S. wheat export sales	46%	67%	76%		67%
USDA forecast, May 2015	**25,170**	**23,410**	**32,010**	**(27)**	

(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 05/07/15	Previous Week[1]	Current Week as % of Previous	2015 YTD[1]	2014 YTD[1]	2015 YTD as % of 2014 YTD	Last 4-weeks as % of 2014	Last 4-weeks as % of 3-yr. avg.	Total[1] 2014
Pacific Northwest									
Wheat	89	165	54	4,142	4,506	92	64	69	12,436
Corn	62	170	37	3,520	2,700	130	70	134	7,781
Soybeans	0	0	n/a	4,034	4,463	90	48	17	12,887
Total	**151**	**335**	**45**	**11,696**	**11,669**	**100**	**66**	**82**	**33,104**
Mississippi Gulf									
Wheat	91	85	107	1,418	1,592	89	58	44	4,495
Corn	891	720	124	10,380	11,775	88	87	167	30,912
Soybeans	190	105	181	9,476	9,458	100	156	120	29,087
Total	**1,173**	**911**	**129**	**21,274**	**22,826**	**93**	**90**	**136**	**64,495**
Texas Gulf									
Wheat	167	32	529	1,492	2,364	63	79	83	6,120
Corn	0	0	n/a	204	215	95	71	61	580
Soybeans	0	0	n/a	182	256	71	0	0	949
Total	**167**	**32**	**529**	**1,878**	**2,835**	**66**	**78**	**81**	**7,649**
Interior									
Wheat	35	15	232	494	461	107	68	135	1,400
Corn	135	128	105	2,055	1,879	109	74	114	5,677
Soybeans	60	52	116	1,357	1,626	83	86	85	4,312
Total	**229**	**195**	**118**	**3,906**	**3,966**	**98**	**93**	**107**	**11,389**
Great Lakes									
Wheat	43	45	95	139	26	541	495	150	935
Corn	14	0	n/a	89	22	404	404	709	288
Soybeans	20	11	177	37	26	144	142	168	988
Total	**76**	**56**	**136**	**265**	**74**	**361**	**344**	**213**	**2,211**
Atlantic									
Wheat	1	1	n/a	215	53	407	7,860	117	553
Corn	0	5	0	44	211	21	16	40	816
Soybeans	6	22	27	827	967	86	127	153	2,119
Total	**6**	**27**	**23**	**1,087**	**1,232**	**88**	**68**	**96**	**3,487**
U.S. total from ports[2]									
Wheat	425	343	124	7,899	9,002	88	74	72	25,939
Corn	1,102	1,023	108	16,292	16,802	97	86	150	46,054
Soybeans	276	190	145	15,914	16,797	95	120	93	50,342
Total	**1,803**	**1,556**	**116**	**40,105**	**42,601**	**94**	**85**	**111**	**122,335**

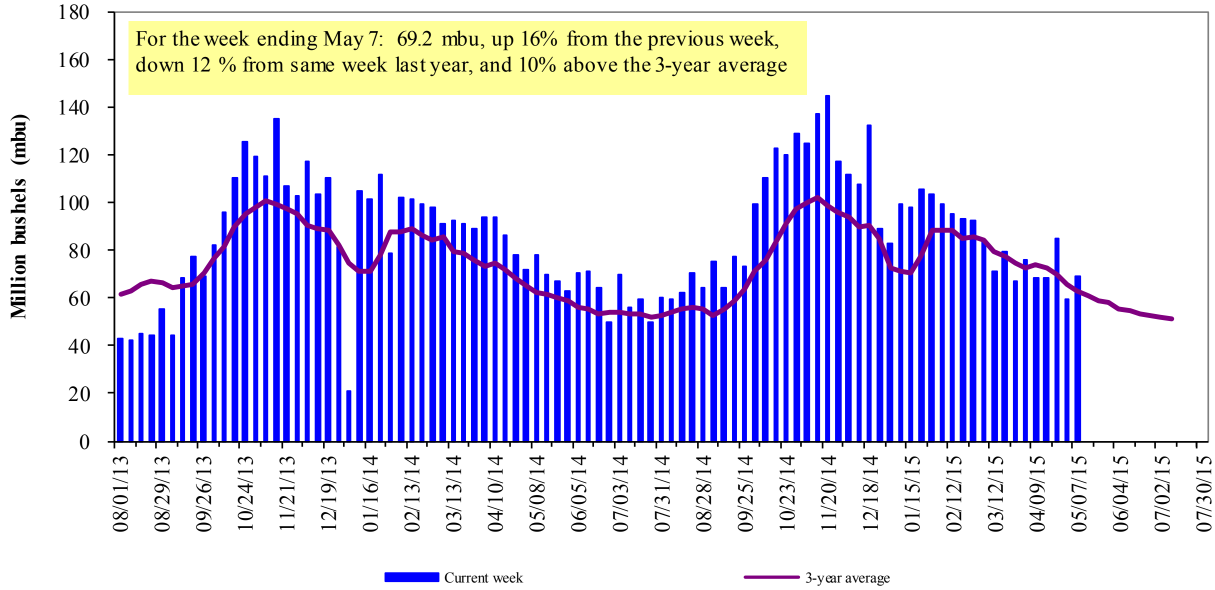
[1] Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 2014.

Figure 14

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

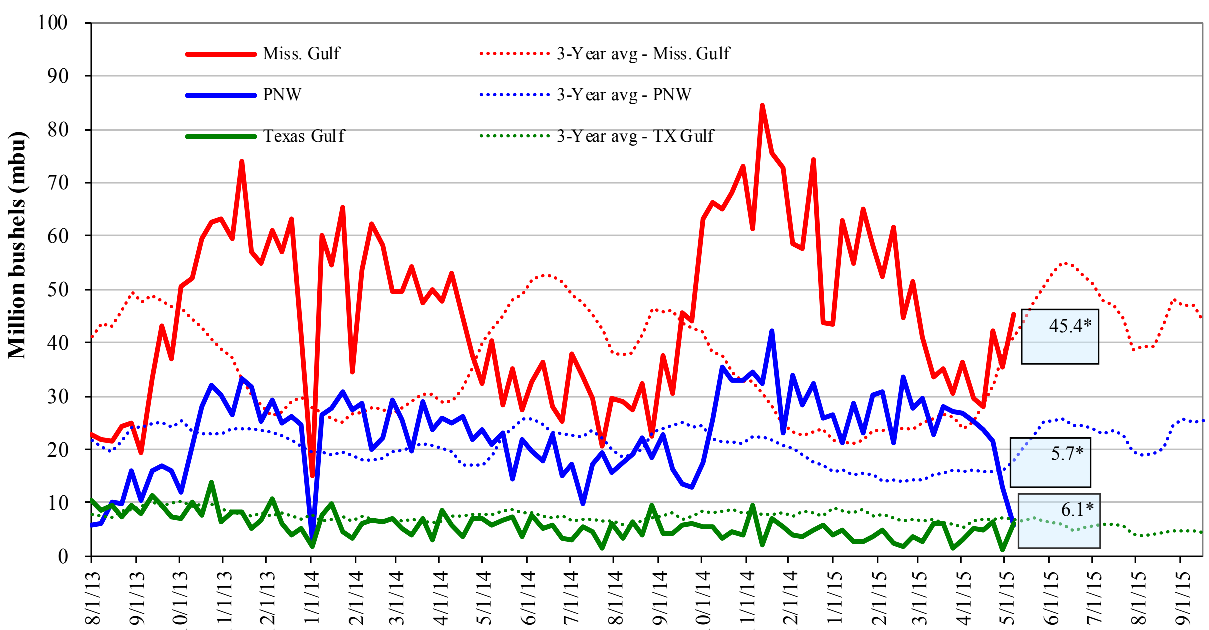


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

May 7: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 29	up 429	up 41	down 55
Last year (same week)	up 13	up 4	up 12	down 73
3-yr avg. (4-wk mov. avg.	up 65	up 8	up 55	down 69

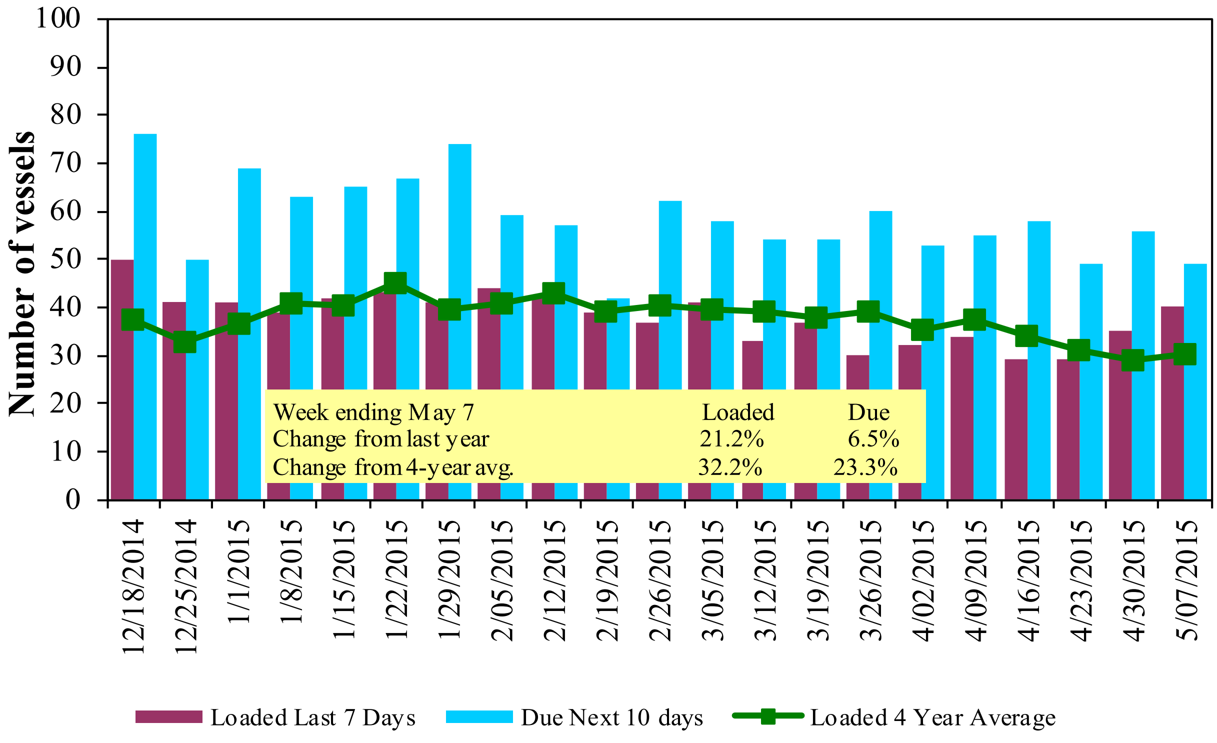
Ocean Transportation

Table 17
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf In port	Gulf Loaded 7-days	Gulf Due next 10-days	Pacific Northwest In port	Vancouver B.C. In port
5/7/2015	46	40	49	7	n/a
4/30/2015	52	35	56	3	n/a
2014 range	(18..88)	(24..52)	(27..97)	(6..26)	n/a
2014 avg.	46	39	59	15	n/a

Source: Transportation & Marketing Programs/AMS/USDA

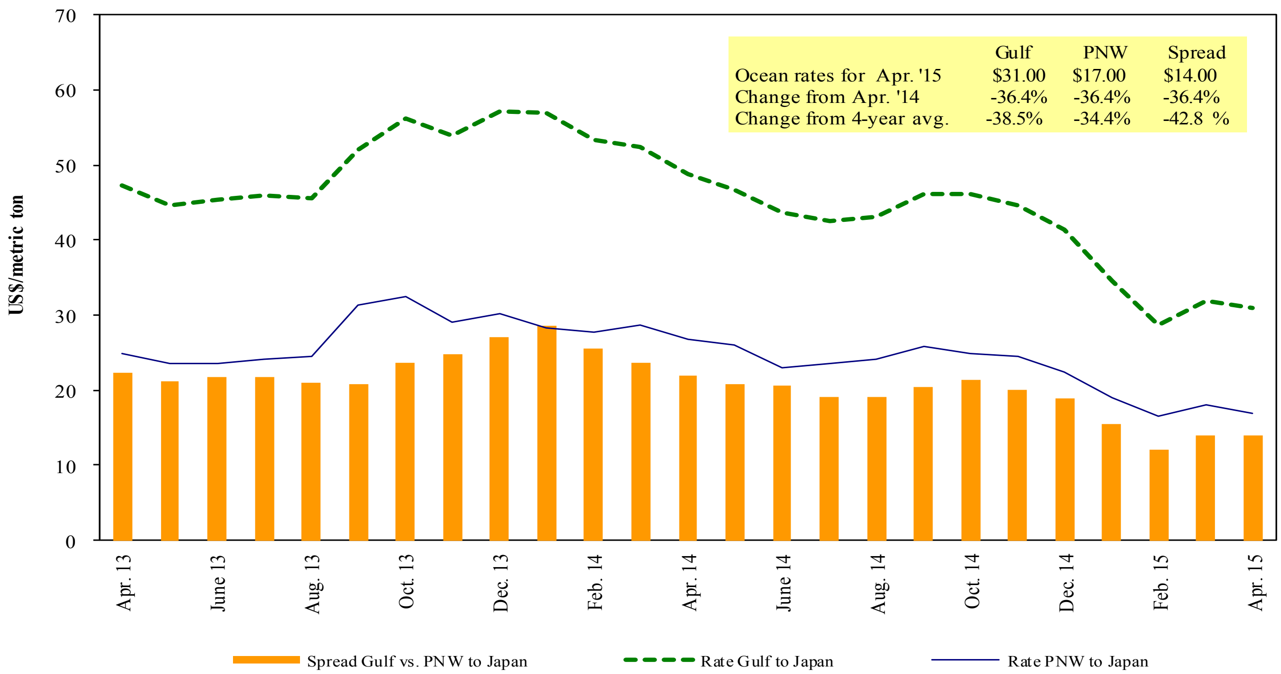
Figure 16
U.S. Gulf[1] Vessel Loading Activity



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



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 5/9/2015

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Djibouti[1]	Wheat	Apr 21/May 4	4,530	88.60
U.S. Gulf	Pt. Sudan[1]	Sorghum	Apr 17/25	47,500	82.75
PNW	China	Heavy Grain	Jun 1/10	60,000	14.00
PNW	China	Grain	Mar 16/25	60,000	15.25
Brazil	China	Heavy Grain	May 25/Jun 5	60,000	23.00
Brazil	China	Heavy Grain	May 20/30	60,000	22.75
Brazil	China	Heavy Grain	Jun 1/30	60,000	22.75
Brazil	China	Grain	Apr 15/May 31	60,000	24.50
Brazil	China	Heavy Grain	May 6/14	60,000	22.60
Brazil	China	Heavy Grain	May 15/10	60,000	22.75
Brazil	China	Grain	May 1/10	60,000	22.50
Brazil	China	Heavy Grain	May 1/10	60,000	23.00
Brazil	China	Heavy Grain	May 1/10	60,000	22.50
Brazil	China	Heavy Grain	Apr 21/30	60,000	30.00
Canada	China	Heavy Grain	Jun 1/10	60,000	14.00
France	China	Barley	May 15/20	60,000	27.00
France	China	Barley	Apr 16/25	63,000	26.00
Germany	Iran	Wheat	May 10/15	60,000	24.75
Ukraine	Iran	Grain	May 10/25	60,000	22.00

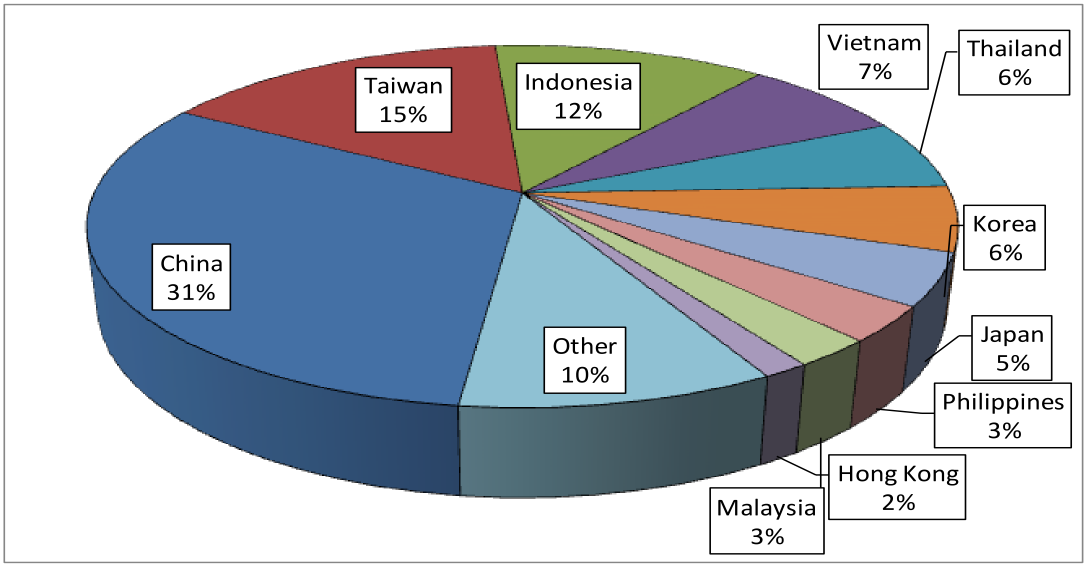
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[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 2013, containers were used to transport 10 percent of total U.S. waterborne grain exports, up 2 percentage points from 2012. Approximately 61 percent of U.S. waterborne grain exports in 2013 went to Asia, of which 16 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—97 percent in 2013.

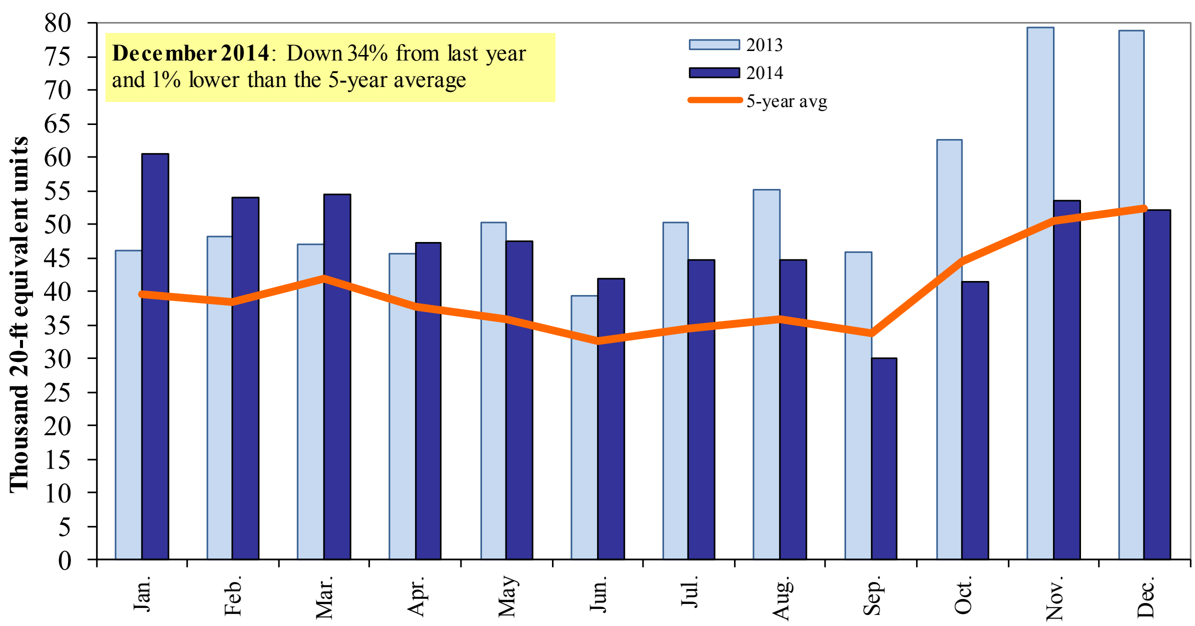
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-December 2014



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.

Contacts and Links

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Weekly Highlight Editors		
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Rail Transportation		
Marvin Prater	marvin.prater@ams.usda.gov	(540) 361 - 1147
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Barge Transportation		
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Truck Transportation		
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Grain Exports		
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 295 - 7374

Subscription Information: Send relevant information to **GTRContactUs@ams.usda.gov** for an electronic copy *(printed copies are also available upon request)*.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* May 14, 2015. Web: http://dx.doi.org/10.9752/TS056.05-14-2015