



Grain Transportation Report

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

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May 15, 2014

WEEKLY HIGHLIGHTS

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West Coast Labor Negotiations Underway

Contract negotiations between the International Longshoremen and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) began on May 12, 2014. The current labor contract for more than 13,000 dockworkers at all major U.S. West Coast ports expires July 1. Six major ocean container carriers have provided advanced notice of port congestion surcharges from \$800 to \$1,266 per container on any containerized cargo scheduled to enter or depart any U.S. port (West Coast, East Coast, or Gulf Coast). Carriers may apply these surcharges if any U.S. port is disrupted due to labor disputes before or after July 1.

High Water Conditions Slowing Barge Traffic

High water on the Upper Mississippi River is causing delays at some locks. On May 15, the Mississippi River level at Locks and Dam 15, Rock Island, IL, was 16.7 feet, higher than the flood stage of 15 feet. According to the National Weather Service, normal levels at Rock Island are 9.5 feet for this time of the year. In addition to the high-water problems, long-term repair work is slowing traffic at Melvin Price Locks and Dam (Locks and Dam 26), East Alton, IL. On May 15, there were delays of about 2 hours at Locks 26 for barges waiting to transit the locks.

Increase in Upbound Ohio River Soybean Shipments

On an annual basis, more grain moves down the Ohio River than up the river, but rarely does the amount of grain shipped upstream exceed the amount shipped down. However, for each of the last 4 weeks, the amount of upbound soybeans going through Ohio River Locks and Dam 52, near Brookport, IL, exceeded downbound soybeans. For the past 4 weeks, an average of 53 thousand tons of soybeans a week transited the locks upbound and only 22 thousand tons downbound. This indicates that grain buyers with access to the Ohio River are sourcing lower-cost soybeans from a distance instead of from local suppliers. USDA-FAS reports that U.S. imports of soybeans may increase for 2013/14 on prospects of large shipments from South America. Although it is not common, depending on relative prices South American soybeans could be shipped to Louisiana and loaded onto barges for upbound shipments.

Grain Inspections Increase; Corn Unshipped Balances Remain High

For the week ending May 8, total inspections of grain (corn, wheat, and soybeans) for export from all major export regions reached 2.1 million metric tons (mmt), up 12 percent from the past week, 99 percent above last year, and 27 percent above the 3-year average. Corn inspections (1.15 mmt) dropped just 3 percent from the previous week, but wheat and soybeans increased significantly—18 and 146 percent—on higher shipments to Asia. For the week ending May 1, **unshipped balances** of corn (14.9 mmt) were more than three times higher than last year at this time and 36 percent higher than during the 3 years preceding last year's drought-reduced exports.

Snapshots by Sector

Rail

U.S. railroads originated 21,018 **carloads of grain** during the week ending May 3, down 4 percent from last week, up 25 percent from last year, and up 4 percent from the 3-year average.

During the week ending May 8, average May non-shuttle **secondary railcar bids/offers per car** were \$200 above tariff, down \$500 from last week and \$200 higher than last year. Average shuttle secondary railcar bids/offers per car were at tariff, down \$537.50 from last week and \$90.50 higher than last year.

Barge

During the week ending May 10, **barge grain movements** totaled 713,217 tons—9.5 percent lower than the previous week but 126.5 percent higher than the same period last year.

During the week ending May 10, 472 grain barges **moved down river**, down 7 percent from last week; 492 grain barges were **unloaded in New Orleans**, down 19.7 percent from the previous week.

Ocean

During the week ending May 8, 33 **ocean-going grain vessels** were loaded in the Gulf, 44 percent more than the same period last year. Forty-six vessels are expected to be loaded within the next 10 days, 39 percent more than the same period last year.

During the week ending May 9, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$46.50 per mt, down 1 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$26 per mt, down 2 percent from the previous week.

Fuel

During the week ending May 12, U.S. average **diesel fuel prices** decreased 2 cents to \$3.95 per gallon—up 8 cents from with the same week last year.

Feature Article/Calendar

First Quarter Wheat Transportation and Landed Costs Down

First quarter 2014 transportation costs for shipping wheat from Kansas and North Dakota to Japan were down slightly from the previous quarter because of lower ocean rates. Year-to-year transportation costs for shipping wheat through the PNW and Gulf increased for each State, pushed up by rising truck and ocean rates (tables 1 and 2). First quarter total landed costs for shipping wheat through the Pacific Northwest (PNW) and Gulf decreased from the previous quarter as ocean rates and farm values dropped, and decreased from the first quarter last year because of lower farm values.

Quarter-to-quarter transportation costs for shipping wheat through the PNW to Japan decreased 1 percent from Kansas and North Dakota. Lower quarter-to-quarter ocean rates offset the increase in truck rates, causing PNW transportation costs to drop. Year-to-year costs for shipping wheat to Japan through the PNW were up over 8 percent from each State because of higher truck and ocean rates. The quarter-to-quarter transportation costs to ship wheat from Kansas and North Dakota through the Gulf decreased slightly because of lower ocean rates. Higher truck and ocean rates also helped push year-to-year transportation costs for shipping through the Gulf up 12 percent from Kansas and 8 percent from North Dakota (table 2).

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

Mode	KS					ND				
	2013 1st qtr	2013 4th qtr	2014 1st qtr	Year-to-Year change	Quarterly change	2013 1st qtr	2013 4th qtr	2014 1st qtr	Year-to-Year change	Quarterly change
Truck	10.98	12.42	13.79	25.59	11.03	10.98	12.42	13.79	25.59	11.03
Rail ¹	54.49	55.95	55.75	2.31	-0.36	55.17	56.67	56.46	2.34	-0.37
Ocean vessel	24.84	30.58	28.30	13.93	-7.46	24.84	30.58	28.30	13.93	-7.46
Transportation Costs	90.31	98.95	97.84	8.34	-1.12	90.99	99.67	98.55	8.31	-1.12
Farm Value ²	280.23	259.17	249.61	-10.93	-3.69	295.05	234.55	232.71	-21.13	-0.78
Total Landed Cost	370.54	358.12	347.45	-6.23	-2.98	386.04	334.22	331.26	-14.19	-0.89
Transport % of landed cost	24.37	27.63	28.16			23.57	29.82	29.75		

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

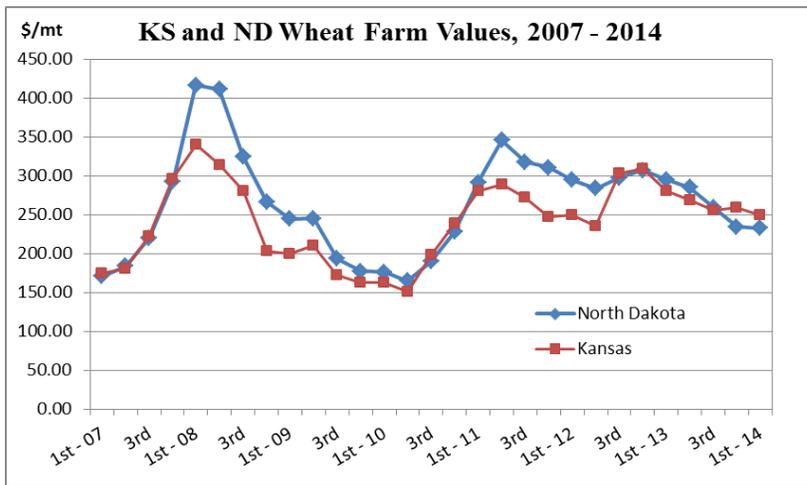
Mode	KS					ND				
	2013 1st qtr	2013 4th qtr	2014 1st qtr	Year-to-Year change	Quarterly change	2013 1st qtr	2013 4th qtr	2014 1st qtr	Year-to-Year change	Quarterly change
Truck	10.98	12.42	13.79	25.59	11.03	10.98	12.42	13.79	25.59	11.03
Rail ¹	38.60	40.16	40.08	3.83	-0.20	66.21	66.08	65.87	-0.51	-0.32
Ocean vessel	46.73	55.96	54.22	16.03	-3.11	46.73	55.96	54.22	16.03	-3.11
Transportation Costs	96.31	108.54	108.09	12.23	-0.41	123.92	134.46	133.88	8.04	-0.43
Farm Value ²	280.23	259.17	249.61	-10.93	-3.69	295.05	234.55	232.71	-21.13	-0.78
Total Landed Cost	376.54	367.71	357.70	-5.00	-2.72	418.97	369.01	366.59	-12.50	-0.66
Transport % of landed cost	25.58	29.52	30.22			29.58	36.44	36.52		

Source: USDA/AMS/TMP

¹ Rail tariff rates include fuel surcharges and revisions for heavy axle railcars and shuttle trains.

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

First quarter 2014 total landed costs (farm value plus transportation costs) to ship wheat from each State were lower for each route than last year (tables 1 and 2). Lower ocean rates and slightly lower farm values contributed to the drop in total landed costs during the first quarter. The landed costs for wheat ranged from \$331 to \$367 per metric ton (mt). First quarter total landed costs averaged \$339 per mt in the PNW and \$361 per mt in the Gulf (tables 1 and 2). First quarter transportation costs represented 28 to 30 percent of the total landed costs through the PNW, the same as the previous quarter for each State. In the PNW, transportation's share of the total landed costs was higher than last year for each State. Transportation's share of the total landed costs were 30 to 37 percent for shipping wheat through the Gulf, up from the previous quarter and last year for each State (tables 1 and 2).



Farm values for Kansas wheat were down 4 percent from quarter to quarter, but down 11 percent from last year. Farm values for North Dakota wheat decreased 1 percent quarter to quarter, and fell 21 percent year to year (tables 1 and 2). First quarter wheat farm values dropped as wheat supplies remained high for most classes. Kansas and North Dakota farm values have been mostly down since the first quarter of 2013 (see figure). However, wheat

farm values are expected to increase this marketing year due to lower U.S. wheat supplies, according to USDA's initial assessment of U.S. and world crop supply and demand prospects in the May *World Agricultural Supply and Demand Estimates* report. Continued drought and April freeze events have sharply reduced yield prospects for hard red winter wheat in addition to lower planted area and decreased yield potential in the soft red winter wheat region. The cost of moving wheat by truck to a railhead increased 11 percent quarter to quarter as trucking activity increased. Rising demand for grain increased truck rates 26 percent from last year.

Quarter-to-quarter ocean freight rates for shipping wheat to Japan decreased over 7 percent in the PNW and 3 percent in the Gulf during the first quarter (see tables 1, 2). Ocean rates continued to drop because of slower vessel activity and weaker Chinese demand for soybeans (see *GTR* dated 5/01/14). However, ocean rates for shipping wheat to Japan increased 14 percent through the PNW and 16 percent through the Gulf from last year as weather conditions improved around the world and the entry of new vessels slowed.

Quarter-to-quarter rail tariff rates for shipping wheat to the PNW remained steady from Kansas and North Dakota (see table 1). Compared to last year, however, wheat rail rates from Kansas and North Dakota to the PNW increased just over 2 percent, raised by higher fuel surcharges. Quarter-to-quarter rail rates for shipping wheat from Kansas and North Dakota to the Gulf remained about the same (see table 2). Year-to-year rail rates to the Gulf increased 4 percent from Kansas and decreased 1 percent from North Dakota.

According to the Grain Inspection, Packers, and Stockyards Administration, first quarter 2014 inspections of wheat for export to Japan totaled .650 million metric tons (mmt), down 36 percent from last year and 90 percent lower than the fourth quarter of 2013. First quarter wheat exports to Japan dropped drastically in part because of lower demand for shipments of hard red winter and soft white wheat compared to last year. Total first-quarter wheat exports to Japan accounted for about 12 percent of total U.S. wheat exports, which reached 5.6 mmt. Total first quarter wheat exports decreased 23 percent from last year and 11 percent from the fourth quarter of 2013. According to USDA, the May 2014/15 forecast for U.S. wheat exports is down 20 percent from the 2013/14 estimate, as large supplies in other major exporting countries and tight domestic supplies of HRW wheat limit U.S. shipments. Johnny.Hill@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
05/14/14	265	251	216	197	208	184
05/07/14	266	278	239	203	210	188

¹Indicator: 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	5/9/2014	5/2/2014
Corn	IL--Gulf	-0.77	-0.75
Corn	NE--Gulf	-0.87	-0.88
Soybean	IA--Gulf	-1.02	-1.09
HRW	KS--Gulf	-1.44	-1.74
HRS	ND--Portland	-2.45	-2.36

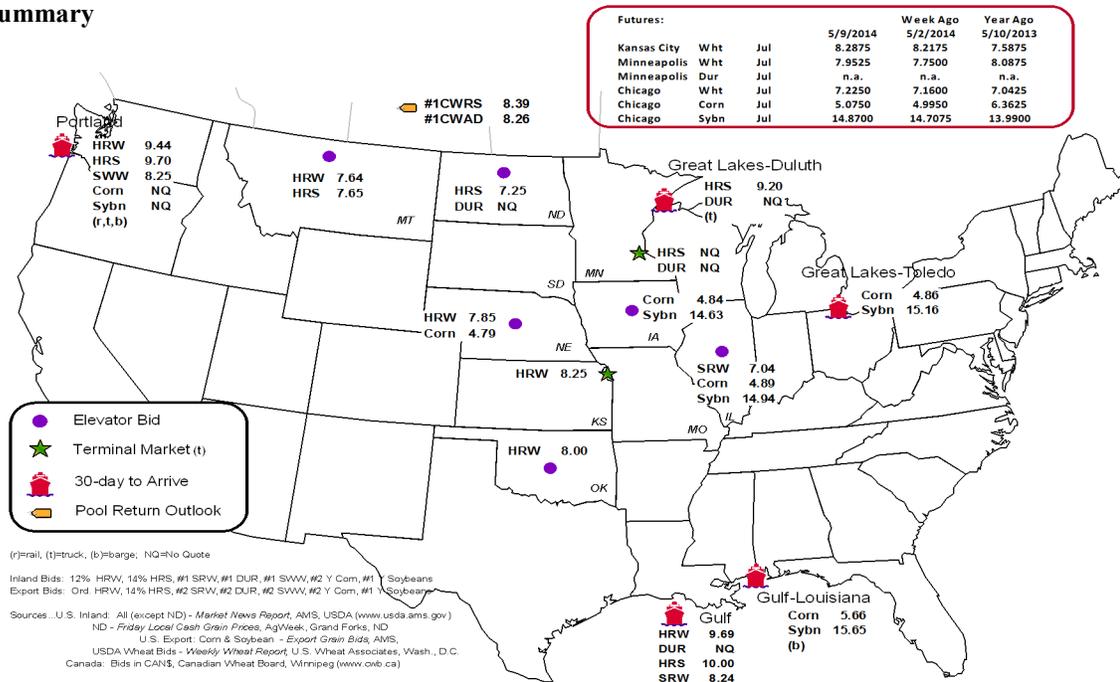
Note: nq = no quote

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		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
5/07/2014 ^p	430	2,038	4,135	202	6,805	5/3/2014	2,005
4/30/2014 ^r	563	1,874	4,679	531	7,647	4/26/2014	2,268
2014 YTD ^r	19,502	32,290	97,728	14,464	163,984	2014 YTD	34,095
2013 YTD ^r	8,048	20,834	63,855	8,688	101,425	2013 YTD	22,207
2014 YTD as % of 2013 YTD	242	155	153	166	162	% change YTD	154
Last 4 weeks as % of 2013 ²	1,438	128	339	352	248	Last 4wks % 2013	164
Last 4 weeks as % of 4-year avg. ²	330	148	157	146	159	Last 4wks % 4 yr	98
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 approximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

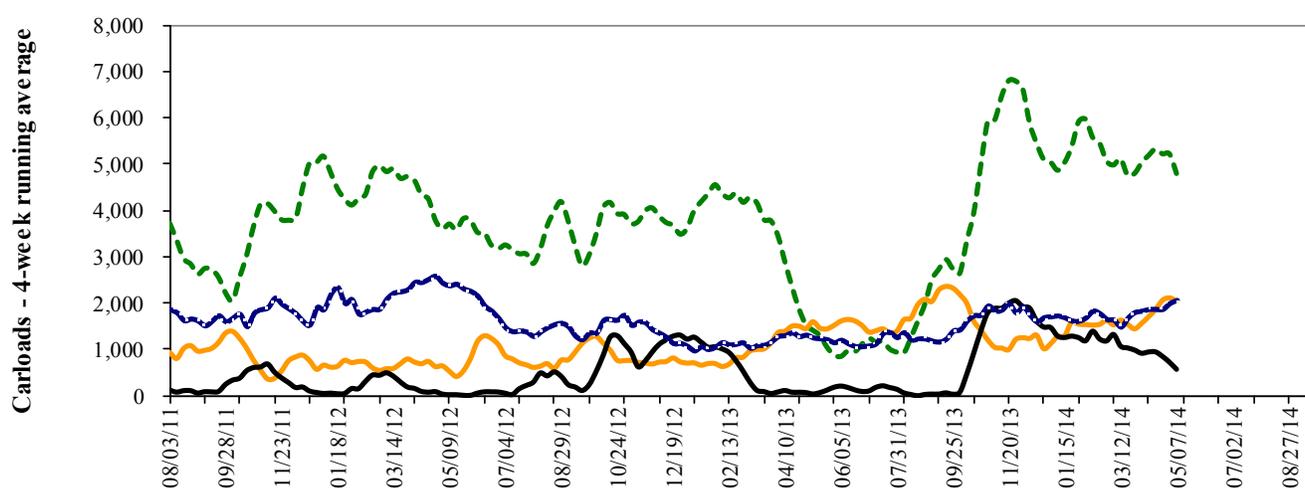
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



--- Pacific Northwest: 4 wks. ending 5/07--up 239% from same period last year; up 57% from 4-year average
--- Texas Gulf: 4 wks. ending 5/07--up 28% from same period last year; up 48% from 4-year average
--- Miss. River: 4 wks. ending 5/07--up 1338% from same period last year; up 230% from 4-year average
--- Cross-border: 4 wks. ending 5/03--up 64% from same period last year; down 2% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 4

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

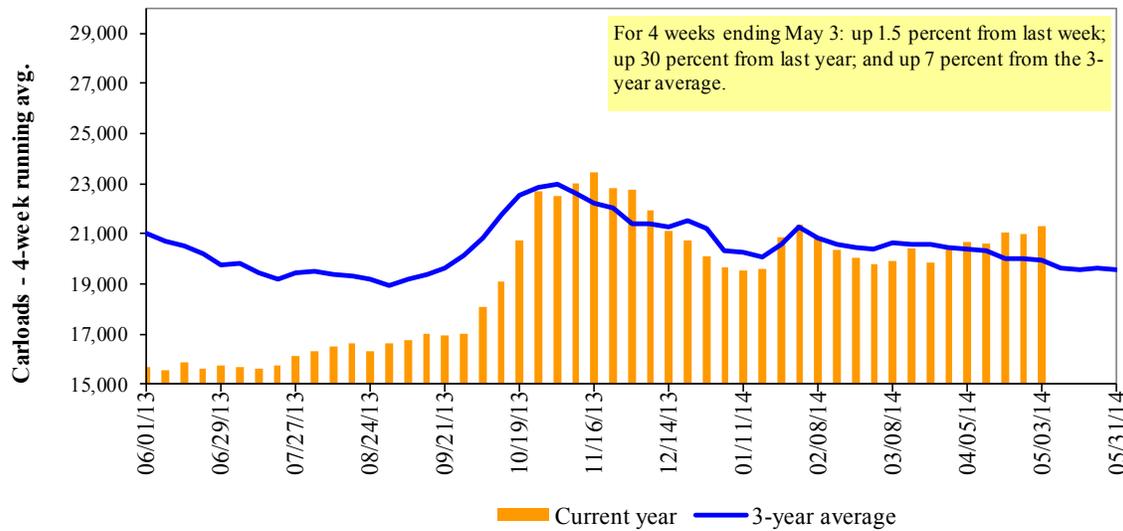
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
05/03/14	1,789	2,731	9,616	550	6,332	21,018	5,566	5,591
This week last year	1,312	2,214	8,703	619	3,995	16,843	3,716	5,342
2014 YTD	35,199	54,511	158,520	17,098	104,655	369,983	77,333	90,028
2013 YTD	27,200	44,595	161,786	8,758	69,791	312,130	61,838	97,079
2014 YTD as % of 2013 YTD	129	122	98	195	150	119	125	93
Last 4 weeks as % of 2013	124	131	121	160	147	130	148	105
Last 4 weeks as % of 3-yr avg. ¹	106	113	98	143	121	108	131	115
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

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

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

Figure 3

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



Source: Association of American Railroads

Table 5

Railcar Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	May-14	May-13	Jun-14	Jun-13	Jul-14	Jul-13	Aug-14	Aug-13
5/8/2014								
BNSF ³								
COT grain units	no offer	0	no offer	no bids	no offer	no bids	no offer	no bids
COT grain single-car ⁵	no offer	0 . . 5	no offer	0 . . 5	no offer	no bids	no offer	0
UP ⁴								
GCAS/Region 1	no offer	no offer	no offer	no bids	no offer	no bids	n/a	n/a
GCAS/Region 2	no offer	no offer	no offer	no bids	no offer	no bids	n/a	n/a

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

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

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

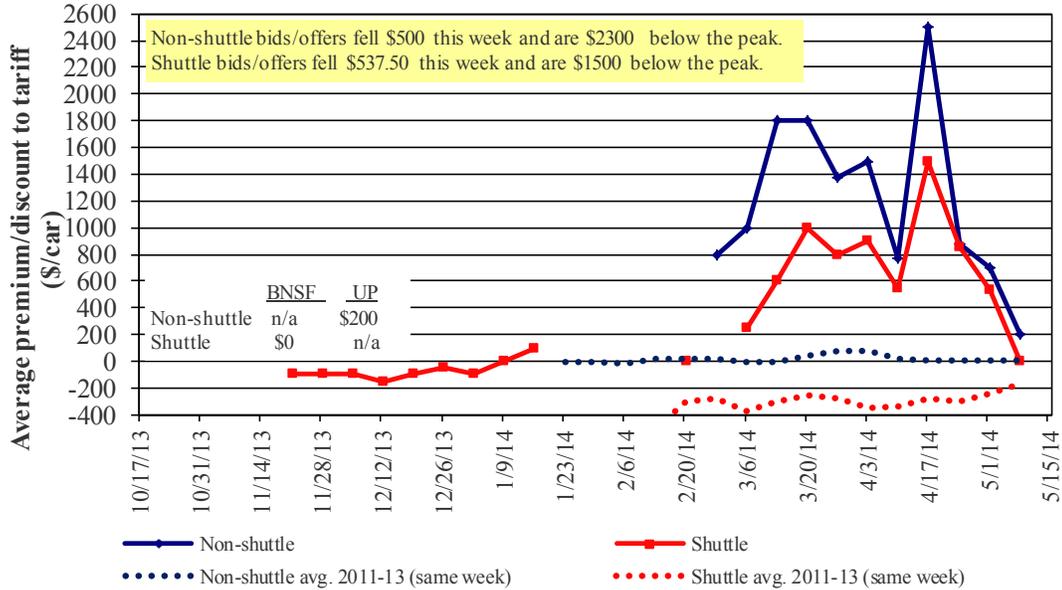
⁵Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

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

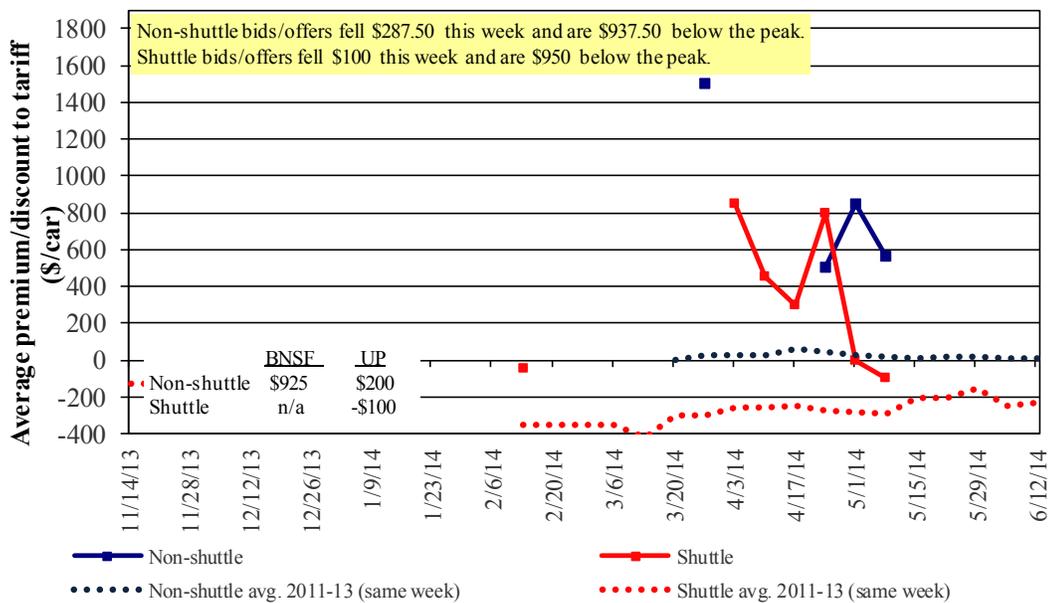


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

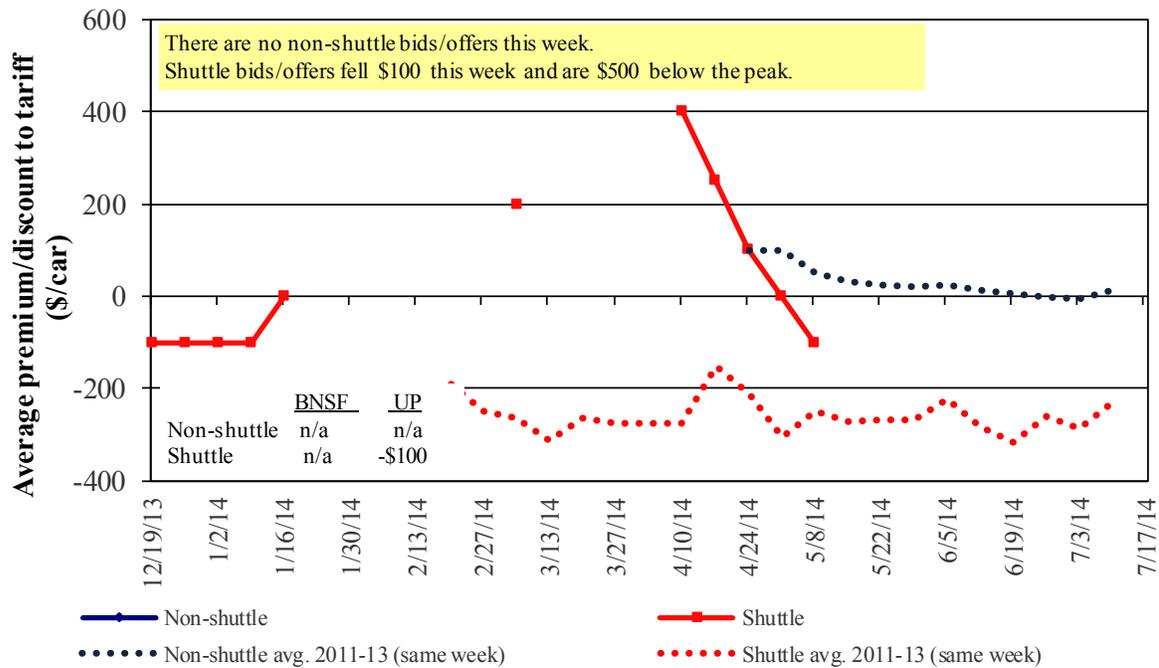


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in July 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					
	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14
Non-shuttle						
BNSF-GF	n/a	925	n/a	n/a	n/a	n/a
Change from last week	n/a	75	n/a	n/a	n/a	n/a
Change from same week 2013	n/a	900	n/a	n/a	n/a	n/a
UP-Pool	200	200	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 2013	200	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	-	n/a	n/a	n/a	n/a	n/a
Change from last week	(1,025)	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	106	n/a	n/a	n/a	n/a	n/a
UP-Pool	n/a	(100)	(100)	(300)	100	n/a
Change from last week	n/a	(100)	(100)	(500)	n/a	n/a
Change from same week 2013	n/a	50	-	(100)	300	n/a

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

²Shuttle 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 Shipments¹

Effective date:						Percent	
5/1/2014	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		change Y/Y ³
					metric ton	bushe ²	
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,191	\$197	\$33.65	\$0.92	1
	Grand Forks, ND	Duluth-Superior, MN	\$3,596	\$113	\$36.83	\$1.00	1
	Wichita, KS	Los Angeles, CA	\$6,244	\$581	\$67.78	\$1.84	3
	Wichita, KS	New Orleans, LA	\$3,808	\$347	\$41.26	\$1.12	4
	Sioux Falls, SD	Galveston-Houston, TX	\$5,824	\$477	\$62.57	\$1.70	4
	Northwest KS	Galveston-Houston, TX	\$4,076	\$380	\$44.25	\$1.20	4
	Amarillo, TX	Los Angeles, CA	\$4,275	\$529	\$47.71	\$1.30	3
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,192	\$392	\$35.59	\$0.90	2
	Toledo, OH	Raleigh, NC	\$4,686	\$442	\$50.92	\$1.29	3
	Des Moines, IA	Davenport, IA	\$2,078	\$83	\$21.46	\$0.55	3
	Indianapolis, IN	Atlanta, GA	\$4,061	\$332	\$43.62	\$1.11	3
	Indianapolis, IN	Knoxville, TN	\$3,469	\$213	\$36.56	\$0.93	3
	Des Moines, IA	Little Rock, AR	\$3,218	\$244	\$34.38	\$0.87	2
	Des Moines, IA	Los Angeles, CA	\$5,215	\$711	\$58.85	\$1.49	2
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,414	\$425	\$38.12	\$1.04	3
	Toledo, OH	Huntsville, AL	\$3,687	\$314	\$39.73	\$1.08	3
	Indianapolis, IN	Raleigh, NC	\$4,756	\$445	\$51.65	\$1.41	3
	Indianapolis, IN	Huntsville, AL	\$3,379	\$213	\$35.67	\$0.97	3
	Champaign-Urbana, IL	New Orleans, LA	\$3,748	\$392	\$41.12	\$1.12	3
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,678	\$334	\$39.85	\$1.08	2
	Wichita, KS	Galveston-Houston, TX	\$3,798	\$260	\$40.30	\$1.10	4
	Chicago, IL	Albany, NY	\$3,950	\$414	\$43.34	\$1.18	4
	Grand Forks, ND	Portland, OR	\$5,159	\$578	\$56.97	\$1.55	1
	Grand Forks, ND	Galveston-Houston, TX	\$6,084	\$602	\$66.39	\$1.81	0
	Northwest KS	Portland, OR	\$5,043	\$624	\$56.27	\$1.53	3
Corn	Minneapolis, MN	Portland, OR	\$5,000	\$703	\$56.64	\$1.44	3
	Sioux Falls, SD	Tacoma, WA	\$4,960	\$644	\$55.65	\$1.41	3
	Champaign-Urbana, IL	New Orleans, LA	\$3,011	\$392	\$33.80	\$0.86	2
	Lincoln, NE	Galveston-Houston, TX	\$3,510	\$375	\$38.58	\$0.98	5
	Des Moines, IA	Amarillo, TX	\$3,590	\$307	\$38.70	\$0.98	2
	Minneapolis, MN	Tacoma, WA	\$5,000	\$698	\$56.58	\$1.44	3
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,400	\$722	\$50.86	\$1.29	3
	Sioux Falls, SD	Tacoma, WA	\$5,520	\$644	\$61.21	\$1.67	3
	Minneapolis, MN	Portland, OR	\$5,530	\$703	\$61.90	\$1.68	3
	Fargo, ND	Tacoma, WA	\$5,430	\$573	\$59.61	\$1.62	3
	Council Bluffs, IA	New Orleans, LA	\$4,175	\$452	\$45.95	\$1.25	17
	Toledo, OH	Huntsville, AL	\$2,862	\$314	\$31.54	\$0.86	3
	Grand Island, NE	Portland, OR	\$5,110	\$638	\$57.08	\$1.55	5

¹A 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.

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

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

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

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

Table 8

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

Effective date: 5/1/2014

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$6,360	\$611	\$71.23	\$1.94	1
	OK	Cuautitlan, EM	\$6,156	\$742	\$70.48	\$1.92	-6
	KS	Guadalajara, JA	\$6,741	\$717	\$76.20	\$2.07	-9
	TX	Salinas Victoria, NL	\$3,725	\$280	\$40.92	\$1.11	4
Corn	IA	Guadalajara, JA	\$7,974	\$843	\$90.09	\$2.29	3
	SD	Celaya, GJ	\$7,656	\$800	\$86.40	\$2.19	3
	NE	Queretaro, QA	\$7,353	\$749	\$82.79	\$2.10	2
	SD	Salinas Victoria, NL	\$5,880	\$608	\$66.29	\$1.68	2
	MO	Tlalnepantla, EM	\$6,792	\$728	\$76.83	\$1.95	2
	SD	Torreón, CU	\$6,722	\$670	\$75.52	\$1.92	2
Soybeans	MO	Bojay (Tula), HG	\$7,868	\$711	\$87.66	\$2.38	3
	NE	Guadalajara, JA	\$8,447	\$814	\$94.62	\$2.57	3
	IA	El Castillo, JA	\$8,855	\$795	\$98.60	\$2.68	3
	KS	Torreón, CU	\$6,864	\$505	\$75.28	\$2.05	3
Sorghum	TX	Guadalajara, JA	\$6,953	\$520	\$76.36	\$1.94	7
	NE	Celaya, GJ	\$7,212	\$726	\$81.10	\$2.06	2
	KS	Queretaro, QA	\$6,650	\$456	\$72.60	\$1.84	-3
	NE	Salinas Victoria, NL	\$5,368	\$534	\$60.30	\$1.53	-2
	NE	Torreón, CU	\$6,243	\$596	\$69.88	\$1.77	1

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

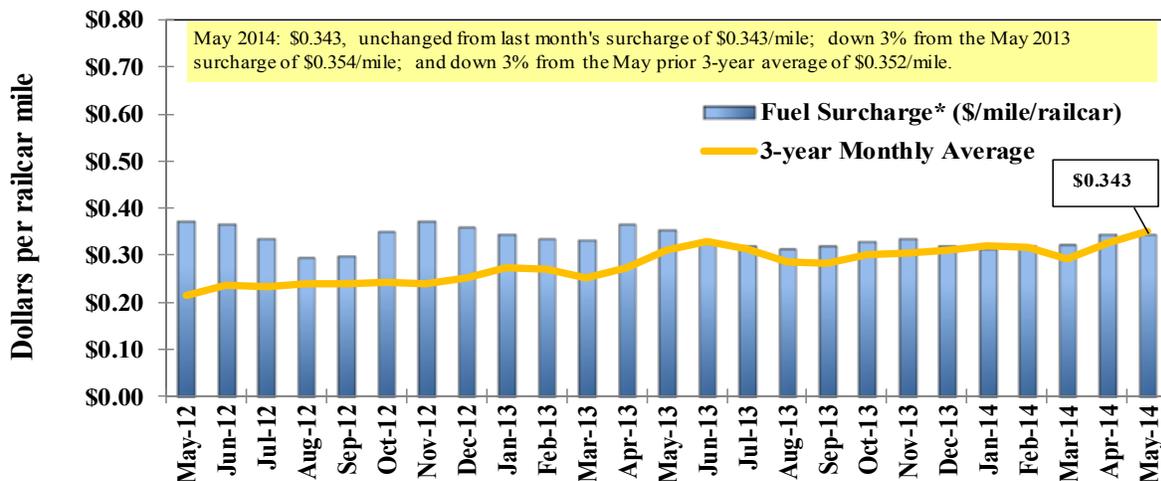
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

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

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

Sources: www.bnsf.com, www.uprr.com, www.kcsouthern.com

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

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.

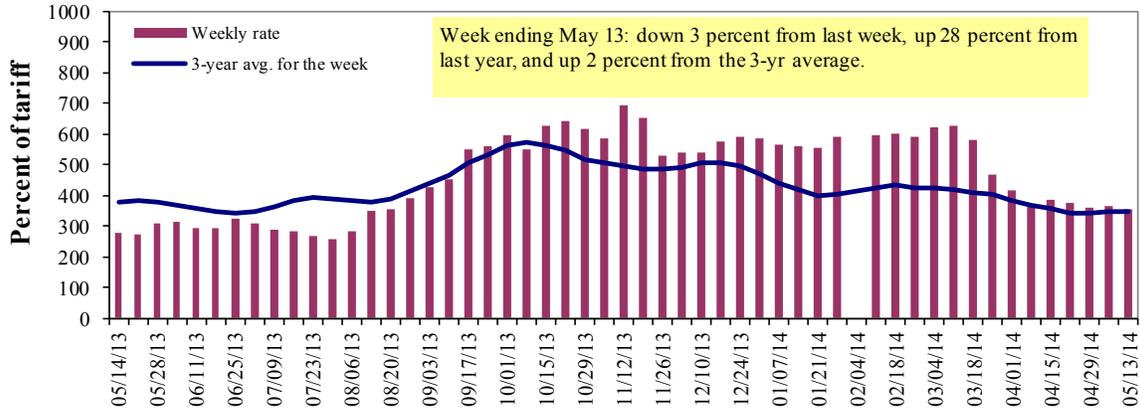
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

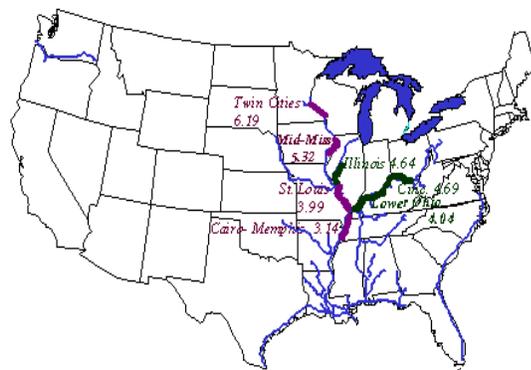
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid- Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo- Memphis
Rate¹	5/13/2014	443	360	355	248	248	248	203
	5/6/2014	453	373	365	243	247	247	203
\$/ton	5/13/2014	27.42	19.15	16.47	9.90	11.63	10.02	6.37
	5/6/2014	28.04	19.84	16.94	9.70	11.58	9.98	6.37
Current week % change from the same week:								
	Last year	22	24	28	13	30	30	14
	3-year avg. ²	-4	-2	2	-5	-4	-4	13
Rate¹	June	445	365	358	243	250	250	208
	August	468	403	383	325	335	335	300

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; Due to past flooding events, certain data not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



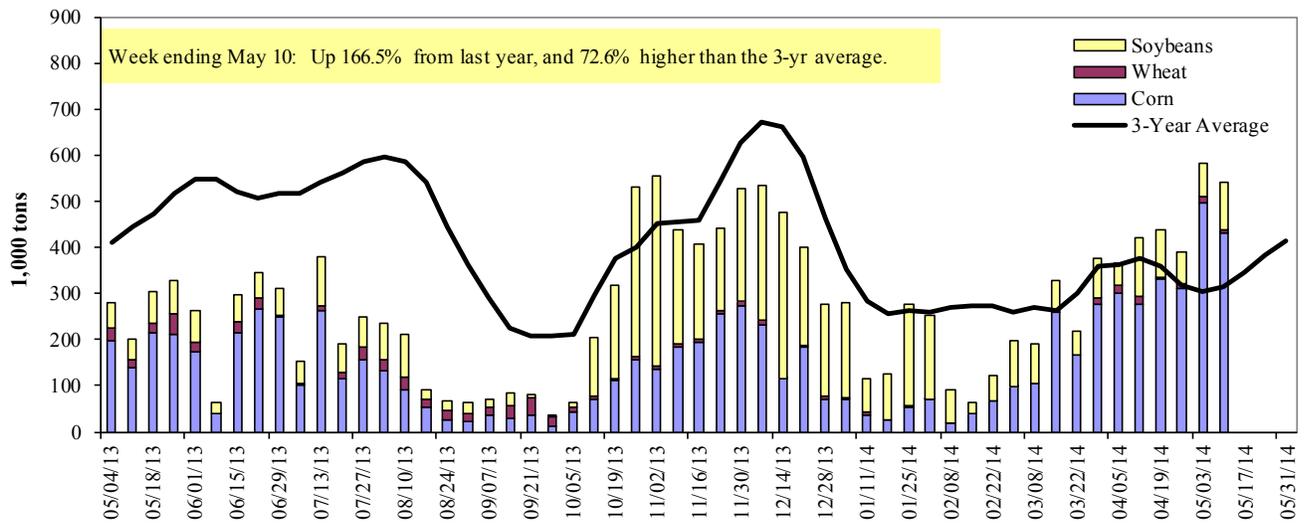
Calculating barge rate per ton:

(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 10

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



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

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

Week ending 5/10/2014	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	115	2	43	0	160
Winfield, MO (L25)	137	6	52	0	195
Alton, IL (L26)	437	12	93	0	542
Granite City, IL (L27)	430	9	102	2	543
Illinois River (L8)	237	6	25	0	268
Ohio River (L52)	117	2	23	0	142
Arkansas River (L1)	0	26	3	0	28
Weekly total - 2014	548	37	127	2	713
Weekly total - 2013	202	41	70	2	315
2014 YTD ¹	7,235	678	4,108	68	12,089
2013 YTD	2,522	1,474	3,344	105	7,444
2014 as % of 2013 YTD	287	46	123	65	162
Last 4 weeks as % of 2013 ²	334	86	171	45	100
Total 2013	9,504	4,111	10,065	255	23,935

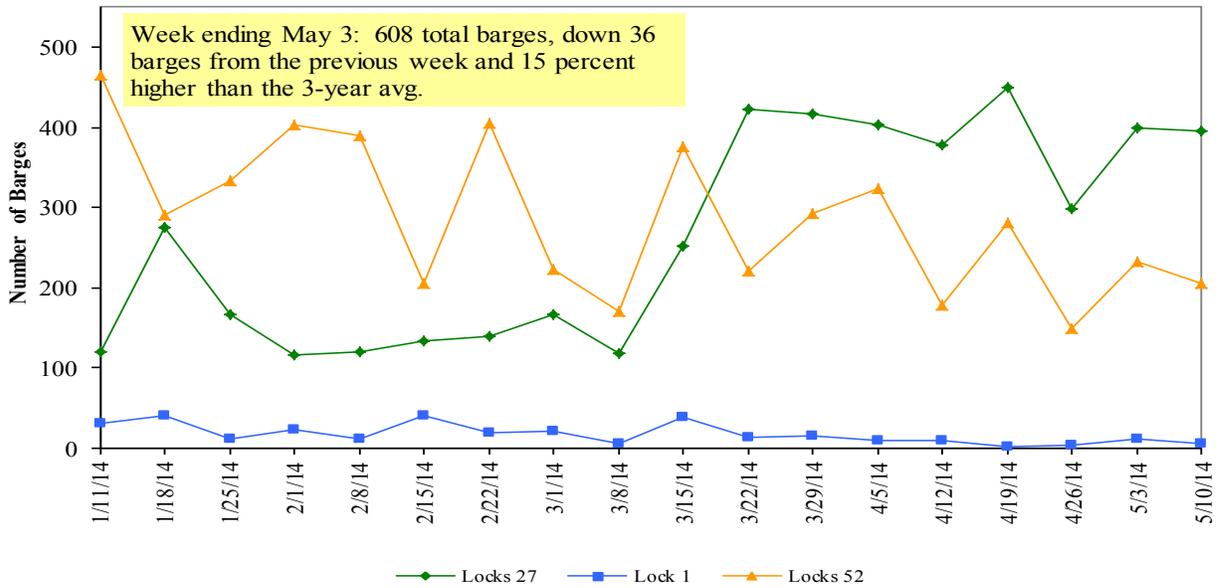
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

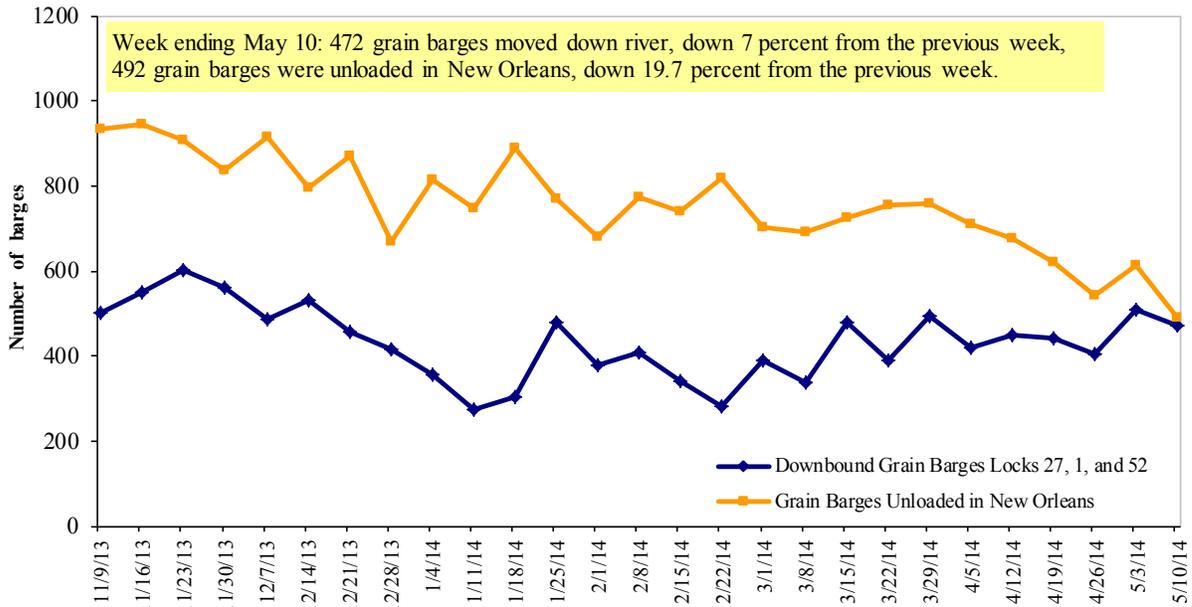
Source: U.S. Army Corps of Engineers

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 Prices¹, Week Ending 5/12/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.041	-0.014	0.176
	New England	4.157	-0.024	0.162
	Central Atlantic	4.156	-0.020	0.246
	Lower Atlantic	3.927	-0.013	0.120
II	Midwest ²	3.921	-0.014	0.012
III	Gulf Coast ³	3.797	-0.016	0.058
IV	Rocky Mountain	3.970	-0.008	0.148
V	West Coast	4.036	-0.010	0.067
	West Coast less California	3.928	-0.016	0.045
	California	4.126	-0.006	0.084
Total	U.S.	3.948	-0.016	0.082

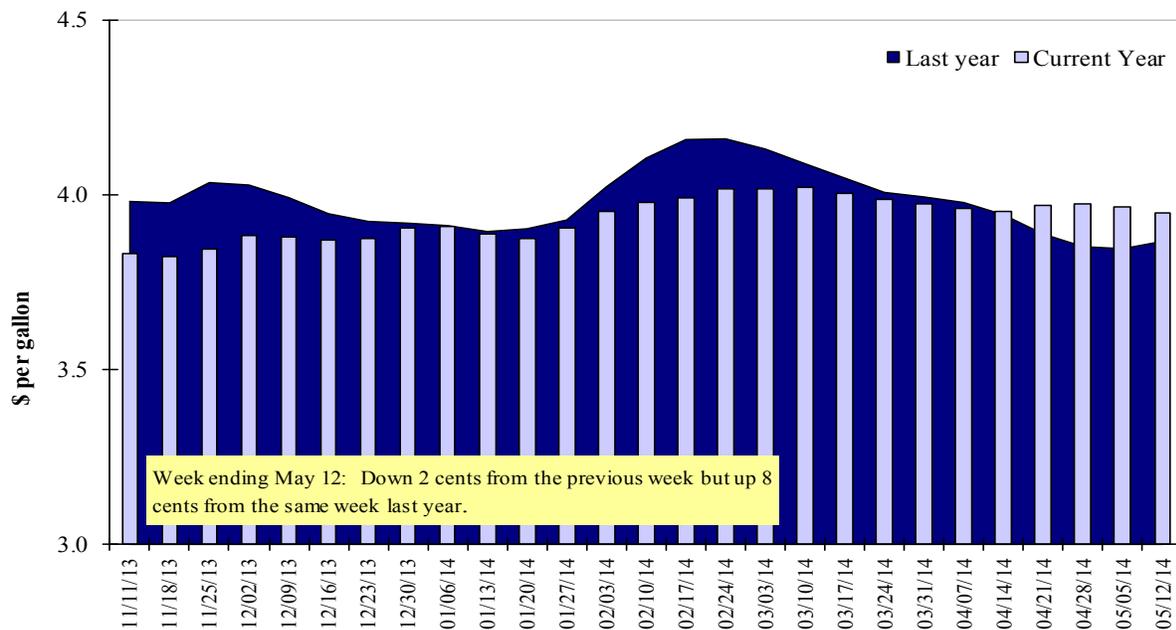
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same as South Central

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

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



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

Grain Exports

Table 12

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

Week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
5/1/2014	1,262	556	1,260	604	113	3,794	14,908	2,513	21,215
This week year ago	1,406	701	518	245	58	2,928	4,152	2,111	9,191
Cumulative exports-marketing year²									
2013/14 YTD	10,686	6,967	5,819	3,905	422	27,799	29,262	42,122	99,183
2012/13 YTD	8,827	4,631	5,495	4,361	489	23,803	12,714	34,371	70,888
YTD 2013/14 as % of 2012/13	121	150	106	90	86	117	230	123	140
Last 4 wks as % of same period 2012/13	102	88	261	283	228	144	391	131	253
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 effect for corn and soybeans

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

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

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 05/01/2014	Total Commitments ²			% change current MY from last MY	Exports ³ 2012/13
	2014/15 Next MY	2013/14 Current MY	2012/13 Last MY		
		- 1,000 mt -			- 1,000 mt -
Japan	1,127	10,129	5,930	71	7,000
Mexico	97	9,597	3,924	145	4,370
China	3	3,269	2,474	32	2,450
Venezuela	0	844	698	21	1,158
Taiwan	0	1,600	450	255	512
Top 5 Importers	1,227	25,439	13,476	89	15,490
Total US corn export sales	2,763	44,169	16,866	162	18,690
% of Projected	6%	92%	90%		
Change from prior week	121	112	116		
Top 5 importers' share of U.S. corn export sales	44%	58%	80%		83%
USDA forecast, May 2014	43,180	48,260	18,690	158	
Corn Use for Ethanol USDA forecast, May 2014	128,270	128,270	118,059	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 (Carry-over plus Accumulated Exports)

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 05/01/2014	Total Commitments ²			% change current MY from last MY	Exports ³ 2012/13	
	2014/15 Next MY	2013/14 Current MY	2012/13 Last MY			
		- 1,000 mt -				- 1,000 mt -
China	4,847	27,598	21,801	27	21,522	
Mexico	166	3,005	2,428	24	2,565	
Japan	191	1,741	1,616	8	1,751	
Indonesia	166	2,066	1,420	45	1,682	
Taiwan	2	1,105	1,061	4	1,120	
Top 5 importers	5,372	35,514	28,326	25	28,641	
Total US soybean export sales	7,791	44,634	36,483	22	35,910	
% of Projected	18%	102%	102%			
Change from prior week	14	41	194			
Top 5 importers' share of U.S. soybean export sales	69%	80%	78%			
USDA forecast, May 2014	44,230	43,550	35,910	21		

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, 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 Importers¹ of All U.S. Wheat

Week Ending 05/01/2014	Total Commitments ²			% change current MY from last MY	Exports ³ 2012/13	
	2014/15 Next MY	2013/14 Current MY	2012/13 Last MY			
		- 1,000 mt -				- 1,000 mt -
Japan	80	3,076	3,689	(17)	3,544	
Nigeria	88	2,693	2,953	(9)	3,002	
Mexico	448	3,090	2,803	10	2,761	
Philippines	262	2,107	1,880	12	1,965	
Egypt	0	1,615	324	398	1,678	
Korea	232	1,311	1,400	(6)	1,385	
Taiwan	24	1,022	1,036	(1)	1,038	
China	15	4,272	808	429	743	
Brazil	80	4,200	455	824	527	
Colombia	70	761	628	21	600	
Top 10 importers	1,299	24,146	15,976	51	17,243	
Total US wheat export sales	3,129	31,593	26,731	18	27,420	
% of Projected		98%	97%			
Change from prior week	125	321	239			
Top 10 importers' share of U.S. wheat export sales	42%	76%	60%		63%	
USDA forecast, May 2014	25,860	32,250	27,420	18		

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, 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 05/08/14	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		Total ¹ 2013
							2013	3-yr. avg.	
Pacific Northwest									
Wheat	325	308	105	4,837	4,657	104	121	100	11,585
Corn	219	313	70	2,921	1,195	244	3,055	210	2,973
Soybeans	8	0	n/a	4,476	3,749	119	53	23	9,090
Total	552	621	89	12,234	9,602	127	193	116	23,647
Mississippi Gulf									
Wheat	155	45	345	1,749	3,282	53	66	73	9,711
Corn	776	731	106	12,572	3,963	317	400	232	14,828
Soybeans	174	52	334	9,644	6,701	144	126	74	21,462
Total	1,105	828	133	23,964	13,946	172	239	167	46,002
Texas Gulf									
Wheat	155	190	81	2,620	2,621	100	93	75	9,039
Corn	0	0	n/a	215	72	300	140	59	255
Soybeans	1	2	58	258	122	211	n/a	223	908
Total	156	192	81	3,093	2,815	110	95	73	10,203
Interior									
Wheat	26	49	54	479	333	144	470	186	1,244
Corn	125	114	109	1,978	971	204	194	81	3,943
Soybeans	58	33	175	1,663	1,493	111	443	84	3,212
Total	209	196	107	4,120	2,797	147	258	91	8,399
Great Lakes									
Wheat	12	0	n/a	12	288	4	0	0	884
Corn	0	22	0	22	0	n/a	n/a	422	0
Soybeans	0	0	n/a	26	4	690	n/a	397	699
Total	12	22	55	60	292	21	26	28	1,583
Atlantic									
Wheat	24	0	n/a	77	298	26	100	1	645
Corn	34	5	740	248	2	n/a	n/a	1,208	242
Soybeans	3	12	26	972	666	146	118	141	1,652
Total	62	17	362	1,297	966	134	470	189	2,540
U.S. total from ports²									
Wheat	697	592	118	9,774	11,479	85	194	153	33,108
Corn	1,153	1,185	97	17,956	6,203	289	443	208	22,241
Soybeans	245	100	246	17,038	12,736	134	18	19	37,024
Total	2,095	1,877	112	44,768	30,418	147	124	104	92,373

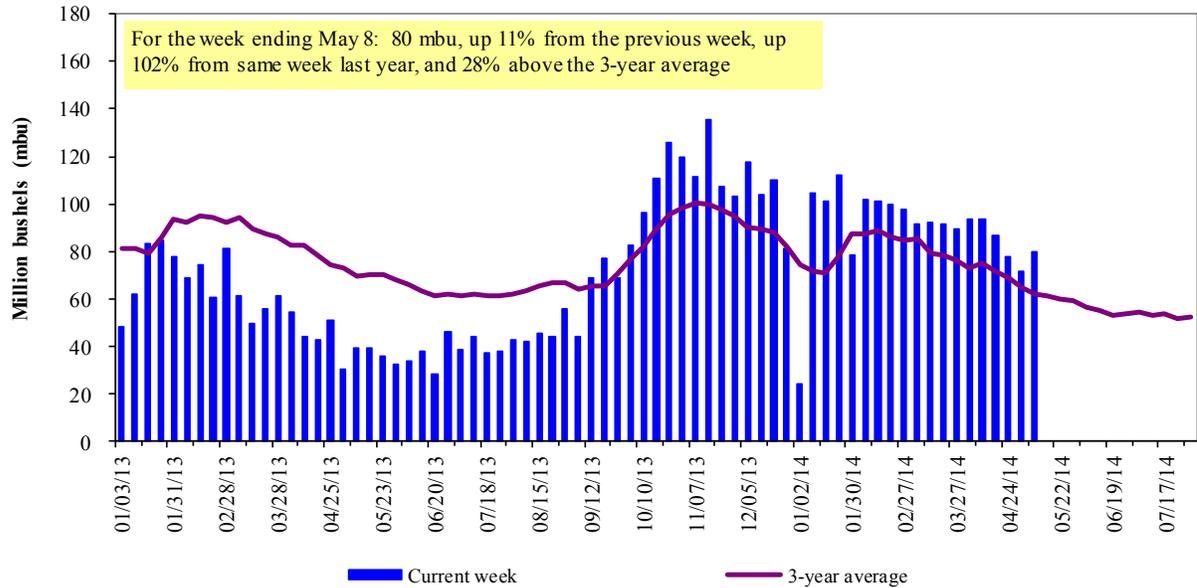
¹Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 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)

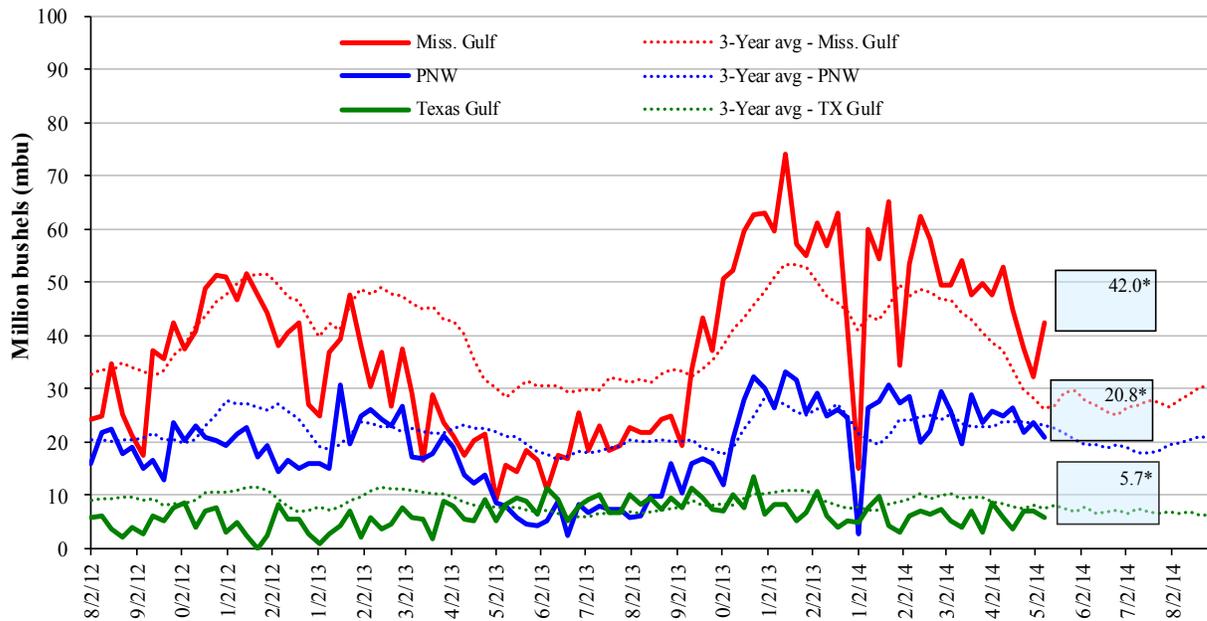


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

May 08: % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	up 32	down 19	down 23	down 12
Last year (same week)	up 172	up 31	up 102	up 159
3-yr avg. (4-wk mov. avg)	up 83	down 24	up 57	up 2

Ocean Transportation

Table 17

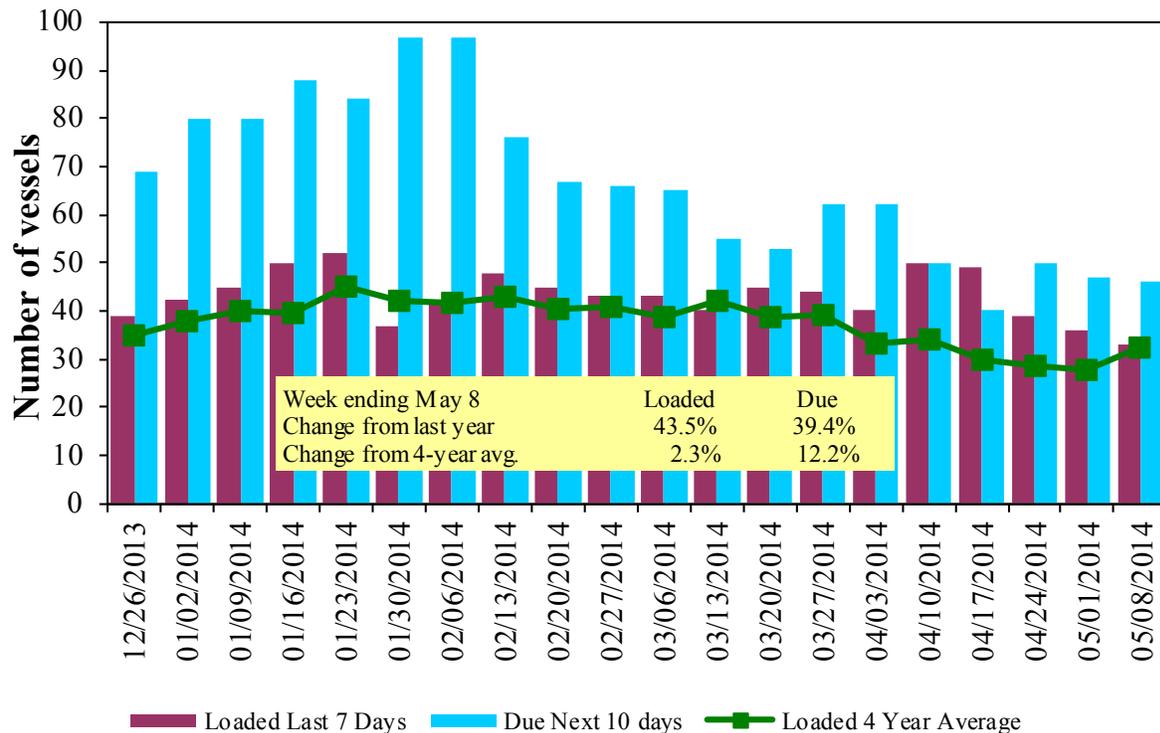
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
5/8/2014	36	33	46	7	n/a
5/1/2014	33	36	47	12	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. Gulf¹ Vessel Loading Activity

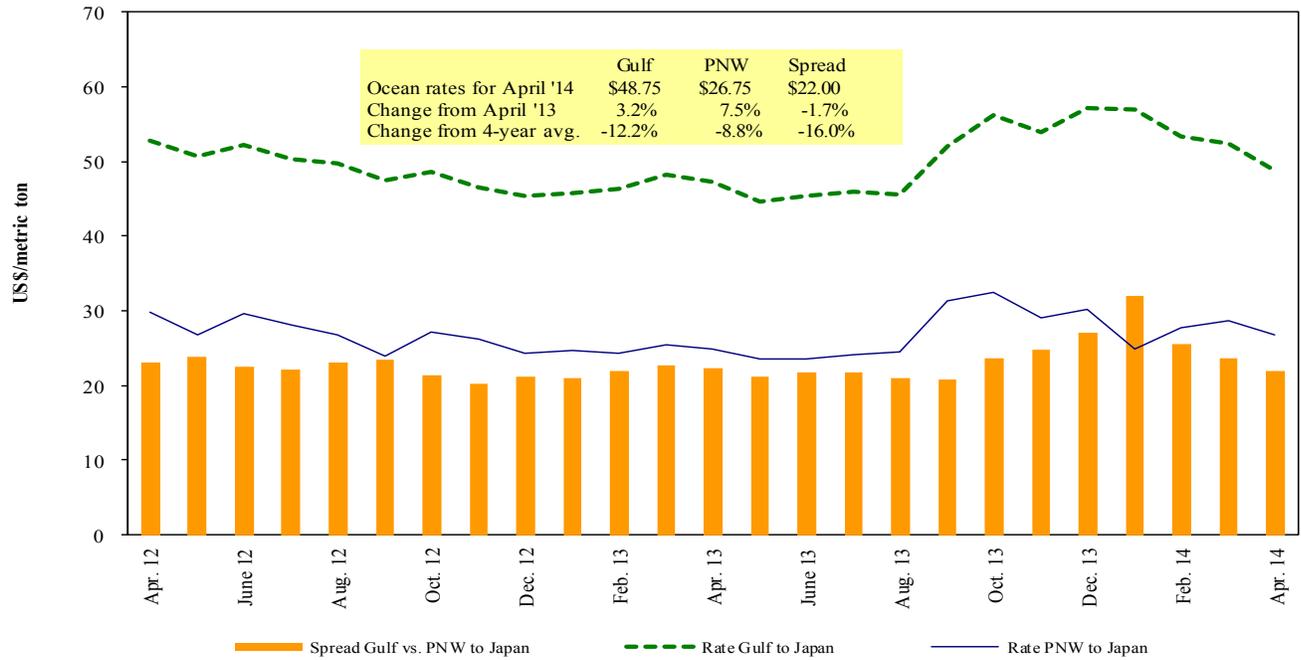


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

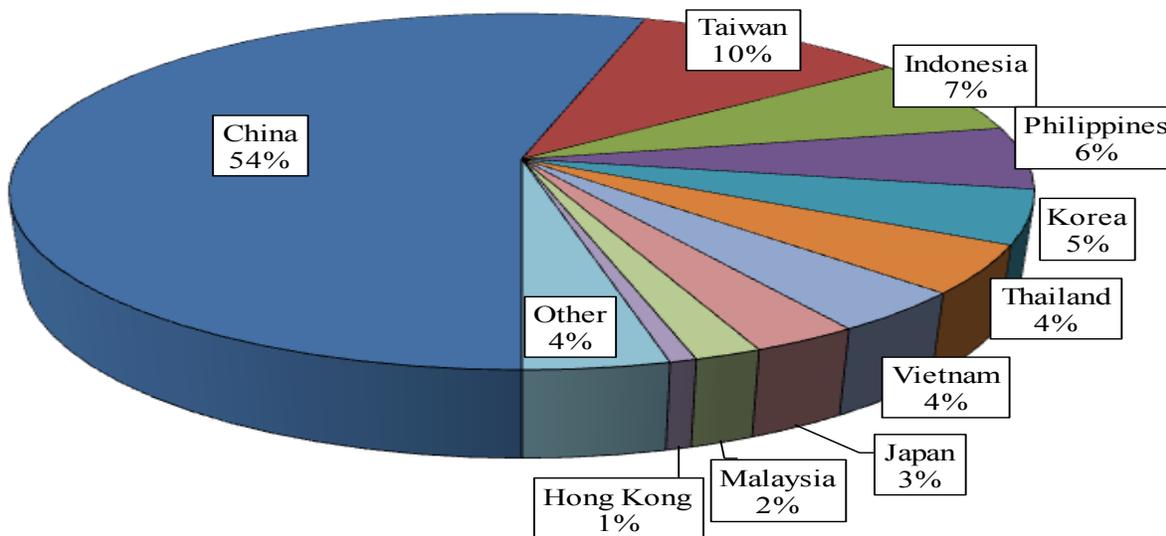
Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 5/10/2014

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Tanzania ¹	Wheat	Mar 24/Apr 4	16,100	133.31
PNW	Bangladesh	Wheat	Apr 22/May 1	13,900	79.44
PNW	Bangladesh	Wheat	Apr 22/May 1	11,150	79.44
Brazil	China	Heavy Grain	Aug 1/5	60,000	40.00
Brazil	China	Heavy Grain	Jul 15/Aug 15	60,000	40.00
Brazil	China	Grain	Jun 19/28	60,000	36.50
Brazil	China	Grain	May 20/29	60,000	36.50
Brazil	China	Heavy Grain	May 20/30	60,000	38.50
Brazil	China	Grain	May 12/20	60,000	36.50
Brazil	China	Heavy Grain	May 5/15	60,000	36.00
Brazil	China	Heavy Grain	Apr 15/24	60,000	37.25
France	Algeria	Wheat	May 9/12	23,750	23.50
France	Algeria	Wheat	Apr 5/10	23,000	26.00
Hamburg	Iran	Wheat	May 16/28	60,000	38.00
River Plate	China	Heavy Grain	Aug 1/31	60,000	44.50
River Plate	China	Heavy Grain	May 1/10	60,000	41.75
River Plate	China	Heavy Grain	Apr 12/30	65,000	43.50

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.

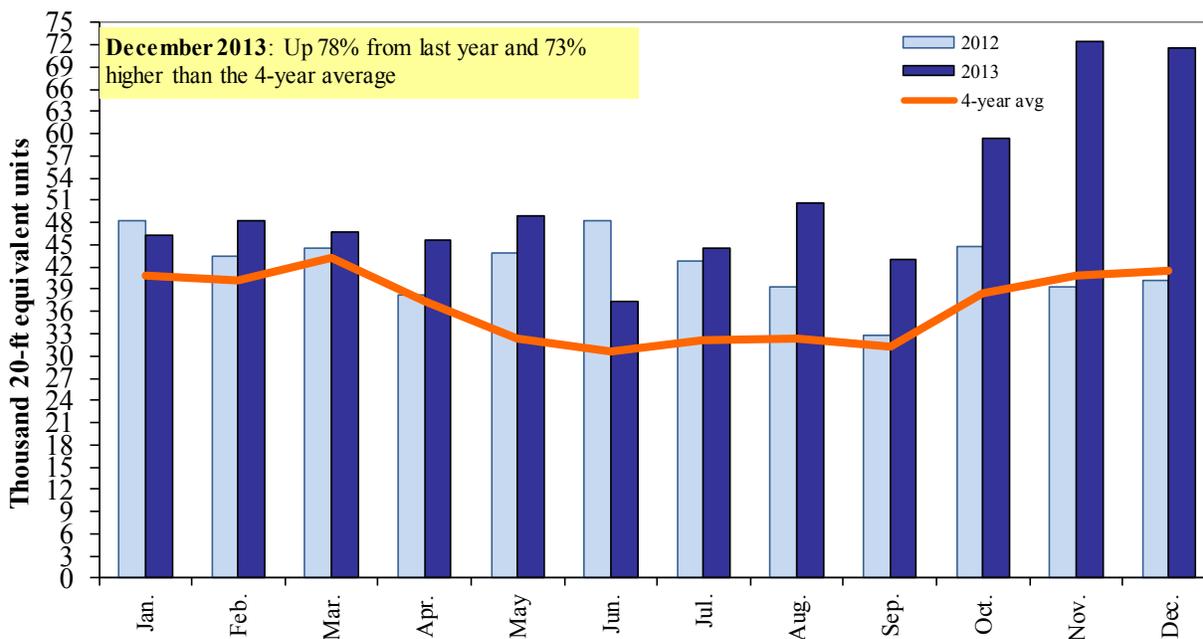
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2013



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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