United States Department of Agriculture

Grain Transportation Report

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

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June 5, 2014

Contents

The next release is June 12, 2014

WEEKLY HIGHLIGHTS

Owners' Optimism Has Kept Ocean Freight Rates Trending Low since January
Ocean freight rates for shipping bulk commodities including grain, especially from the U.S. Gulf, have been falling since January (see **figure 17**) as vessel supply continues to outpace demand. Although relatively low, the rates from the Pacific Northwest (PNW) to Japan increased slightly in March, then declined in April and has remained relatively low in May. During May, ocean freight rates for shipping bulk grain from the U.S. Gulf to Japan averaged $47 per metric ton (mt), down 15 percent from the 4-year average. The cost of shipping from the PNW to Japan was $21/mt, 15 percent less than the 4-year average. Despite the low rates, more vessels are scheduled for delivery based on new orders fueled by owner's increasing optimism of a market turnaround. According to the May 30 report by O'Neil Commodity Consulting, an average of 69 new vessels per week were ordered during the first 4 months of 2014, compared to 37 and 26 in 2013 and 2012, respectively. From January to April, total new orders were up by 86 percent compared to the same period in 2013, and 165 percent compared to the same period in 2012. Meanwhile, rates are still trending down; as of the week ending May 30, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $46 per mt, down 2 percent from the previous week. The cost of shipping from the PNW to Japan was $25 per mt, down 4 percent from the previous week.

Pacific Northwest Grain Inspections Rebound
For the week ending May 29, inspections of grain (corn, wheat, and soybeans) for export in the PNW rebounded from the past week, reaching 0.552 million metric tons (mmt); a 42 percent jump from the previous week. Corn inspections in the PNW jumped 134 percent from the previous week as shipments to Korea, Japan, and Vietnam increased. Despite a drop in overall inspections, soybean inspections (.162 mmt) also rebounded because of increased shipments to Asia. Soybean exports were shipped primarily through the Mississippi Gulf, which had a 180 percent jump in soybean inspections compared to the past week. Total inspections of grain (corn, wheat, and soybeans) for **export from all major export regions** reached 1.63 million metric tons, down 7 percent from the past week but 4 percent above the 3-year average.

Genessee & Wyoming Completes Purchase of Dakota, Minnesota & Eastern
On May 30, Genessee & Wyoming Inc. announced that its new subsidiary, Rapid City, Pierre & Eastern Railroad (RCP&E), had completed the acquisition of the west end of the Dakota, Minnesota & Eastern rail line from Canadian Pacific. Service began on June 1 over the 670-mile line. RCP&E announced it would be creating a fleet of 50 locomotives and 3,000 railcars dedicated to serving existing customers while hoping to attract additional business to the line. Existing customers currently ship about 52,000 carloads annually, including grain and fertilizer, with connections to BNSF, Canadian Pacific, Union Pacific, and the Nebraska Northwestern.

Snapshots by Sector

Rail
U.S. railroads originated 20,409 **carloads of grain** during the week ending May 24, down 3 percent from last week, up 25 percent from last year, and up 1 percent from the 3-year average.

During the week ending May 29, average June non-shuttle **secondary railcar bids/offers per car** were $400 above tariff, up $325 from last week and $393.50 higher than last year. Average shuttle secondary railcar bids/offers per car were $168.50 above tariff, down $56.50 from last week and $193.50 higher than last year.

Barge
During the week ending May 31 **barge grain movements** totaled 853,928 tons—28.7 percent higher than the previous week and 158.5 percent higher than the same period last year.

During the week ending May 31, 549 grain barges **moved down river**, up 30 percent from last week; 453 grain barges were **unloaded in New Orleans**, down 25.2 percent from the previous week.

Ocean
During the week ending May 29, 35 **ocean-going grain vessels** were loaded in the Gulf, 46 percent more than the same period last year. Forty-eight vessels are expected to be loaded within the next 10 days, 26 percent more than the same period last year.

Fuel
During the week ending June 2, U.S. average **diesel fuel prices** decreased 1 cent from the previous week to $3.92 per gallon. up 5 cents from the same week last year.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* June 5, 2014.
Web: http://dx.doi.org/10.9752/TS056.06-05-2014

Feature Article/Calendar

Transportation and Landed Costs Mixed for Corn and Soybeans

Transportation costs for shipping corn and soybeans from Minneapolis, MN, to Japan through the Gulf and Pacific Northwest (PNW) were mixed during the first quarter 2014. The year-to-year transportation costs for shipping corn and soybeans increased notably from the Gulf and PNW (*see tables*). The increase could be seen in each of the transportation modes. First quarter truck and barge rates for shipping grain to the Gulf jumped significantly from last year as demand for grain increased. Extreme cold that produced above-average ice accumulations on the Upper Mississippi River also contributed to the increase in barge rates. Gulf ocean rates were up notably from last year; higher truck and ocean rates boosted year-to-year transportation costs for grain in the PNW. PNW quarter-to-quarter transportation costs were down slightly for shipping corn but up slightly for shipping soybeans. Excess vessel supply continued to push PNW ocean rates down quarter to quarter, but rates increased year to year (*see* ***GTR, 5/01/14)***.

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	
	1stQtr 13	4thQtr 13	1stQtr 14	Yr. to Yr.	Qtr to Qtr	1stQtr 13	4thQtr 13	1stQtr 14	Yr. to Yr.	Qtr to Qtr
Truck	10.98	12.42	13.79	25.59	11.03	10.98	12.42	13.79	25.59	11.03
Barge[1]	12.26	22.97	20.69	68.76	-9.93	12.26	22.97	20.69	68.76	-9.93
Rail[2]	n/a	n/a	44.85	n/a	n/a	36.48	n/a	37.52	2.85	n/a
Ocean	46.73	55.96	54.22	16.03	-3.11	46.73	55.96	54.22	16.03	-3.11
Total Transportation Cost	n/a	n/a	133.55	n/a	n/a	106.45	91.35	126.22	18.57	38.17
Farm Value[3]	270.46	183.32	169.54	-37.31	-7.52	526.66	460.52	475.22	-9.77	3.19
Total Landed Cost	n/a	n/a	303.09	n/a	n/a	633.11	551.87	601.44	-12.83	8.98
Transportation % Landed Cost	n/a	n/a	44.06			16.81	16.55	20.99		

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

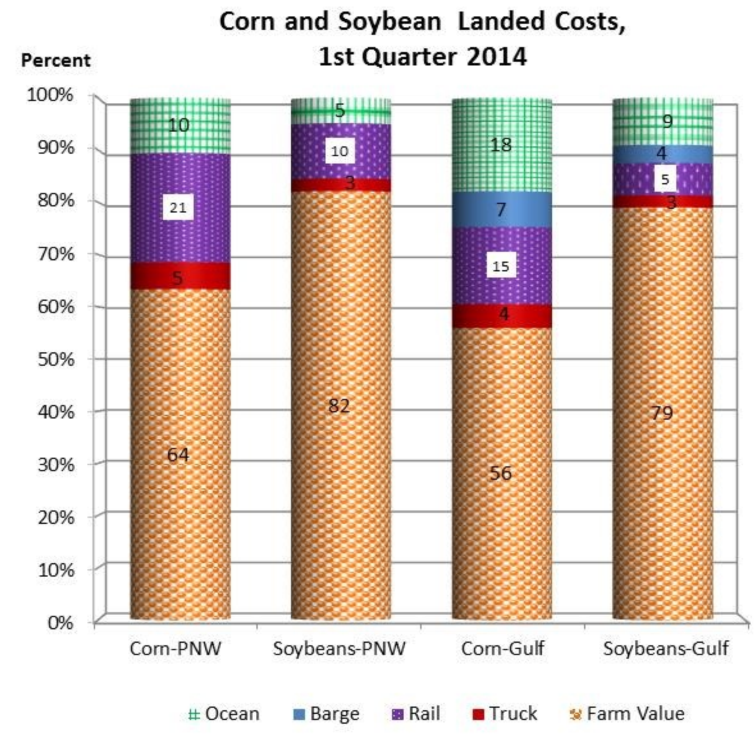
	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	1stQtr 13	4thQtr 13	1stQtr 14	Yr. to Yr.	Qtr to Qtr	1stQtr 13	4thQtr 13	1stQtr 14	Yr. to Yr.	Qtr to Qtr
Truck	10.98	12.42	13.79	25.59	11.03	10.98	12.42	13.79	25.59	11.03
Rail[2]	54.57	56.27	56.03	2.68	-0.43	59.73	59.30	61.29	2.61	3.36
Ocean	24.84	30.58	28.30	13.93	-7.46	24.84	30.58	28.30	13.93	-7.46
Total Transportation Cost	90.39	99.27	98.12	8.55	-1.16	95.55	102.30	103.38	8.19	1.06
Farm Value[3]	270.46	183.32	169.54	-37.31	-7.52	526.66	460.52	475.22	-9.77	3.19
Total Landed Cost	360.85	282.59	267.66	-25.83	-5.28	622.21	562.82	578.60	-7.01	2.80
Transportation % Landed Cost	25.05	35.13	36.66			15.36	18.18	17.87		

Source: USDA/AMS/TMP
n/a = not available

[1] Barge rates are from St. Louis to the the Gulf
[2] Rail rates from MN to St. Louis in Gulf. All rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains
[3] Source: USDA/NASS, Agricultural Prices

U.S. Gulf Costs: Total first quarter transportation costs for shipping grain from Minneapolis through the Gulf to Japan increased 19 percent for soybeans, pushed up by the 69-percent jump in barge rates from St. Louis to the Gulf and a 26-percent increase in year-to-year trucking rates (see *table 1*). Rail rates for shipping soybeans from Minneapolis to St. Louis increased 3 percent from last year as demand for grain increased. Gulf ocean rates increased 16 percent from last year on an increased demand for bulk commodities.

Lower farm values ($475/mt) contributed to a 10-percent drop in the total landed cost of shipping soybeans from the U.S. Gulf to Japan during the first quarter of 2014, compared to the first quarter of last year. Transportation costs for shipping soybeans accounted for 21 percent of the total landed costs in the Gulf, greater than last year (table 1). Farm values for corn during the first quarter were 56 to 64 percent of the landed cost, and soybeans were 79 to 82 percent of the landed cost—significantly higher (*see figure*). As demand for grain increased, first quarter total Gulf corn exports increased 181 percent, accounting for 74 percent of total corn exports. Gulf soybean exports increased 60 percent, accounting for 60 percent of total soybean exports as demand from Asia increased (***GTR, dated April 24, 2014***).



Source: USDA/AMS/TMP

Pacific Northwest Costs: Total transportation costs from Minneapolis via the PNW to Japan decreased 1 percent for corn but increased 1 percent for soybeans quarter to quarter (see table 2). Lower ocean rates and farm values pushed transport costs down from the previous quarter for corn, while higher trucking and rail rates caused soybean transportation costs to increase. Year-to-year transportation costs for shipping grain from the PNW increased 9 percent for corn and 8 percent for soybeans. Compared to the fourth quarter 2013, PNW rail rates remained steady for corn but increased 3 percent for soybeans. Year-to-year rail rates for shipping grain to the PNW increased 3 percent for corn and soybeans, primarily because of higher fuel surcharges.

The decrease in corn farm value ($170/mt) and ocean rates caused first-quarter PNW total landed costs to drop 5 percent for corn from quarter to quarter. A 37 percent decrease in year-to-year farm values for corn caused a 26 percent drop in the year-to-year landed cost (see table 2). The increase in soybean farm value ($474/mt), however, helped push quarter-to-quarter PNW total landed costs for shipping soybeans up 3 percent. The year-to-year total landed costs for shipping soybeans decreased 7 percent because of a 10-percent drop in year-to-year soybean farm value (see table 2). Transportation costs for corn shipped through the PNW accounted for about 37 percent of the total landed costs during the first quarter, greater than the previous quarter and last year. First quarter transportation costs for soybeans shipped through the PNW accounted for 18 percent of the total landed costs, about equal to the previous quarter but greater than last year.

Total first quarter PNW corn exports increased 29 percent from last year, accounting for 14 percent of total corn exports. PNW soybean exports made up 27 percent of total soybean exports, increasing 23 percent from last year as shipments to Asia increased (***GTR, dated April 24, 2014***).

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Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
Week ending		Unit Train	Shuttle		Gulf	Pacific
06/04/14	263	264	222	196	206	177
05/28/14	263	244	225	200	210	184

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

Source: Transportation & Marketing Programs/AMS/USDA

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

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

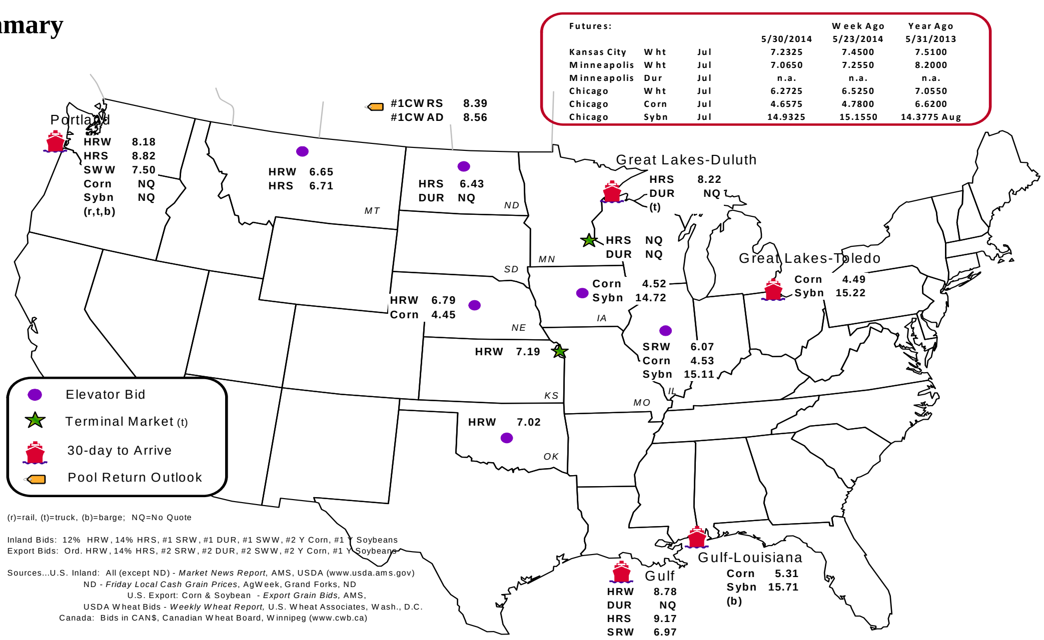
Commodity	Origin--Destination	5/30/2014	5/23/2014
Corn	IL--Gulf	-0.78	-0.80
Corn	NE--Gulf	-0.86	-0.90
Soybean	IA--Gulf	-0.99	-1.05
HRW	KS--Gulf	-1.59	-1.66
HRS	ND--Portland	-2.39	-2.31

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]
5/28/2014[p]	133	1,851	3,700	322	6,006	5/24/2014	1,798
5/21/2014[r]	111	3,194	3,356	229	6,890	5/17/2014	2,041
2014 YTD[r]	20,154	39,438	108,488	15,240	183,320	2014 YTD	41,043
2013 YTD[r]	8,784	25,188	66,271	9,065	109,308	2013 YTD	25,642
2014 YTD as % of 2013 YTD	229	157	164	168	168	% change YTD	160
Last 4 weeks as % of 2013[2]	146	151	423	201	242	Last 4wks % 2013	194
Last 4 weeks as % of 4-year avg.[2]	117	174	126	92	137	Last 4wks % 4 yr	117
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	70,298
Total 2012	22,604	40,780	199,419	24,659	287,462	Total 2012	92,008

[1] Data is incomplete as it is voluntarily provided

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

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

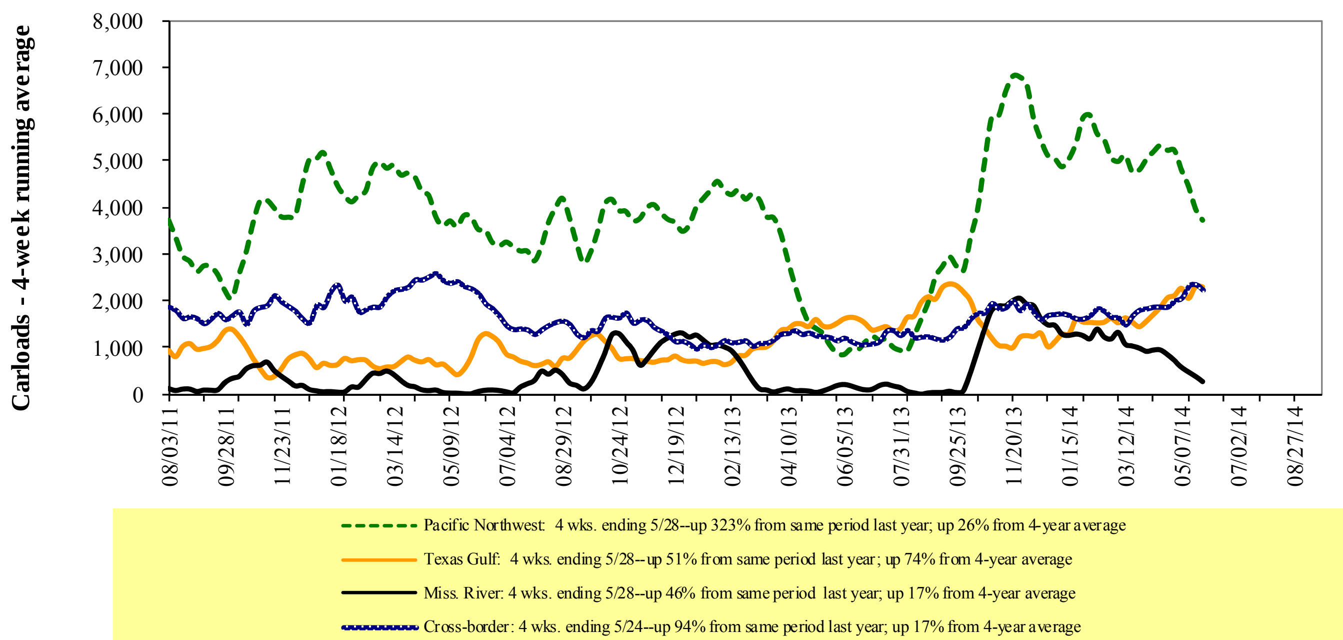
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 29 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

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

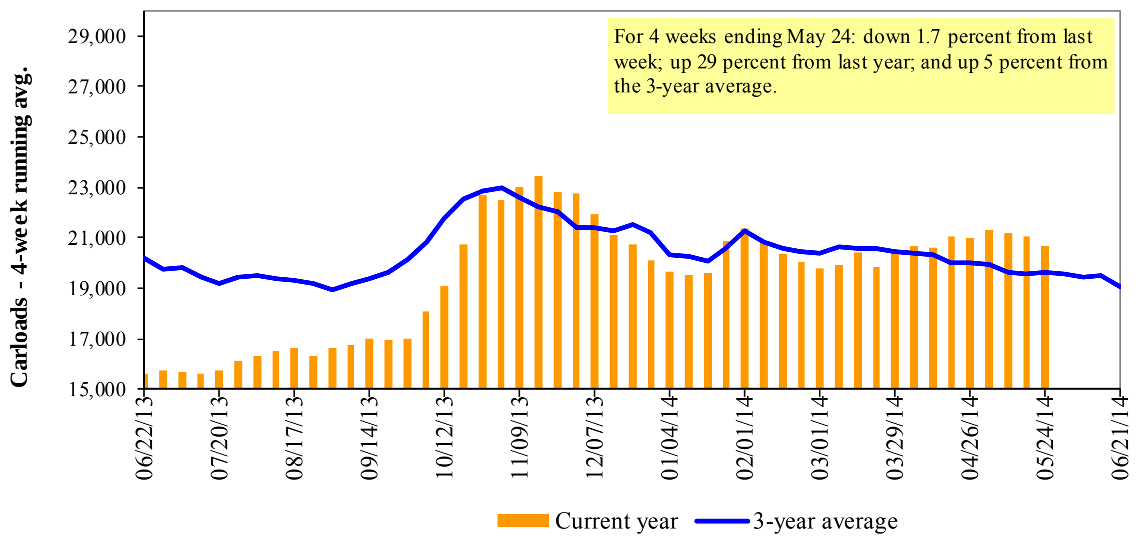
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
05/24/14	1,797	2,654	8,953	710	6,295	20,409	4,361	6,242
This week last year	1,088	2,849	7,929	313	4,212	16,391	2,688	4,850
2014 YTD	40,170	63,188	186,859	19,412	121,999	431,628	90,400	109,031
2013 YTD	31,426	53,011	183,381	10,013	81,526	359,357	71,284	111,401
2014 YTD as % of 2013 YTD	128	119	102	194	150	120	127	98
Last 4 weeks as % of 2013	122	107	125	153	151	129	142	125
Last 4 weeks as % of 3-yr avg.[1]	102	99	101	119	116	105	126	131
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

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

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

Figure 3

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



Source: Association of American Railroads

Table 5

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

Week ending	**Delivery period**							
5/29/2014	**Jun-14**	**Jun-13**	**Jul-14**	**Jul-13**	**Aug-14**	**Aug-13**	**Sep-14**	**Sep-13**
BNSF[3]								
COT grain units	no offer	no bids	no offer	no bids	no offer	no bids	777	no bids
COT grain single-car[5]	no offer	0 . . 5	no offer	no bids	no offer	no bids	503 . . 1451	0 . . 5
UP[4]								
GCAS/Region 1	no offer	no bids	no offer	no bids	no offer	no bids	n/a	n/a
GCAS/Region 2	no offer	no bids	no offer	no bids	no offer	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.

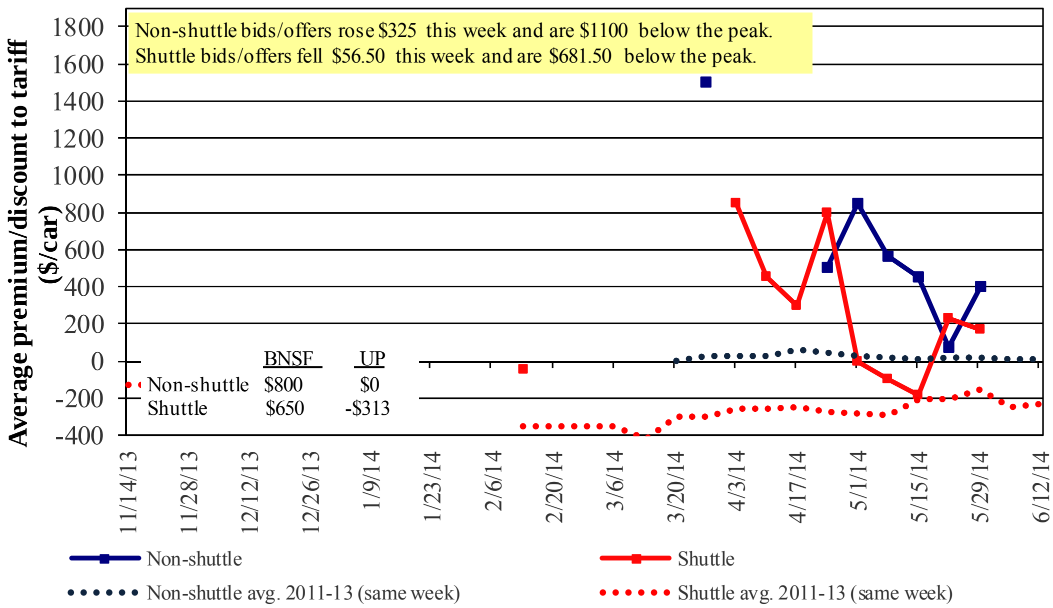
[5]Range is shown because average is not available. Not available = n/a.

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 June 2014, Secondary Market

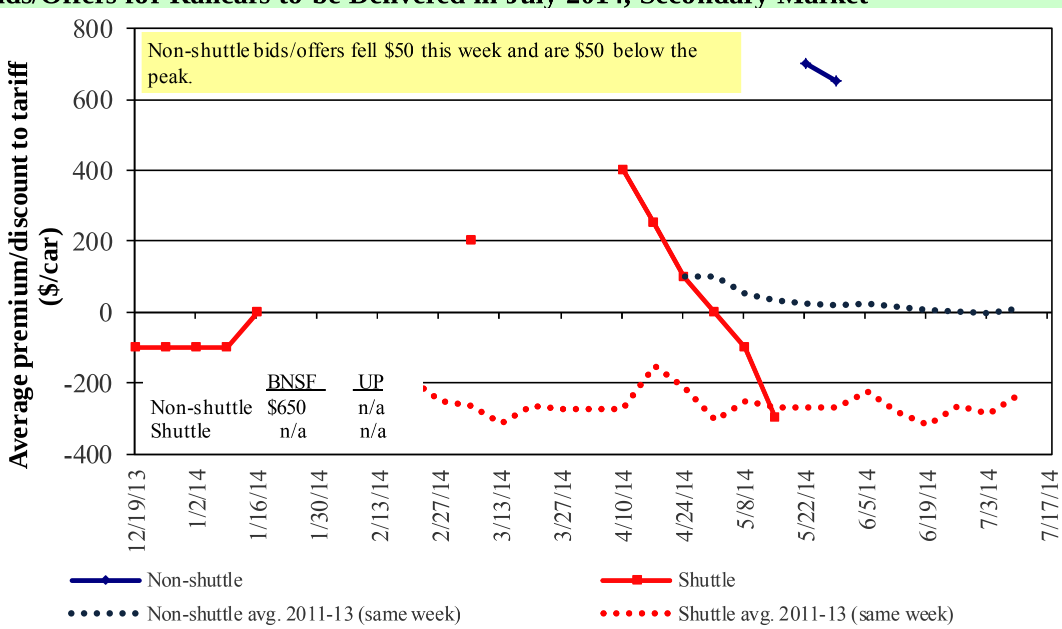


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

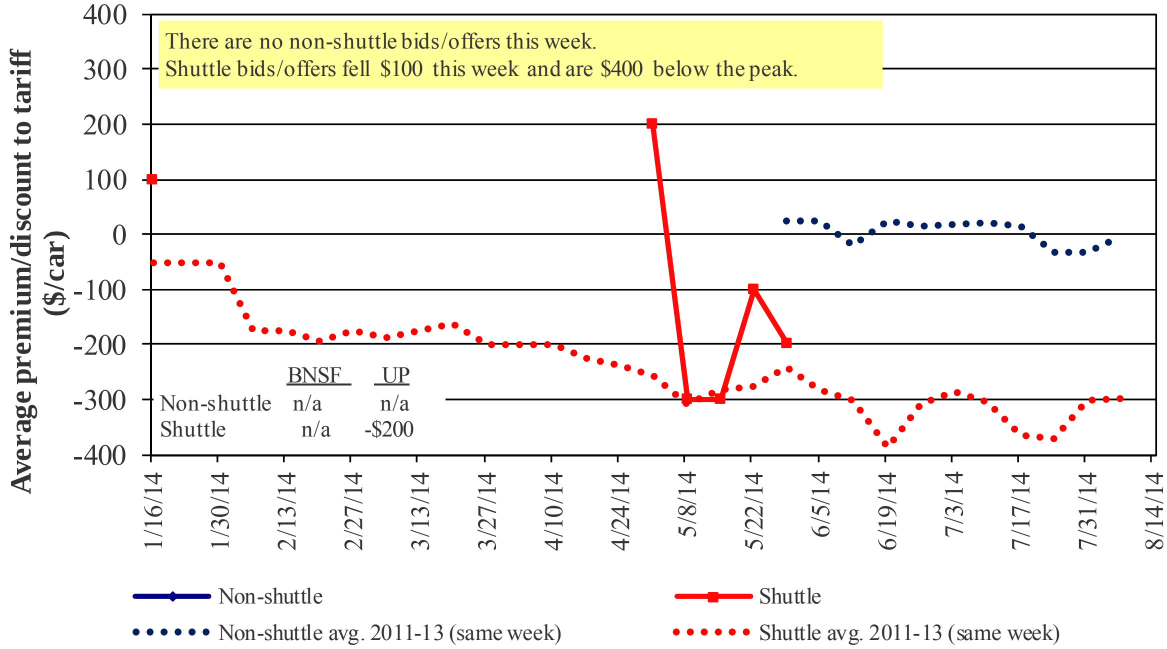


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in August 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					
5/29/2014	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Non-shuttle						
BNSF-GF	800	650	n/a	n/a	n/a	n/a
Change from last week	n/a	(50)	n/a	n/a	n/a	n/a
Change from same week 2013	787	625	n/a	n/a	n/a	n/a
UP-Pool	-	n/a	n/a	n/a	n/a	n/a
Change from last week	(75)	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	-	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	650	n/a	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	600	n/a	n/a	n/a	n/a	n/a
UP-Pool	(313)	n/a	(200)	200	n/a	550
Change from last week	(113)	n/a	(100)	-	n/a	(50)
Change from same week 2013	(213)	n/a	(75)	325	n/a	n/a

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

[2]Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from James B. Joiner Co., Tradewest Brokerage Co.

Table 7

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

Effective date: 6/1/2014	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,387	$192	$35.54	$0.97	6
	Grand Forks, ND	Duluth-Superior, MN	$3,596	$110	$36.80	$1.00	2
	Wichita, KS	Los Angeles, CA	$6,244	$566	$67.63	$1.84	0
	Wichita, KS	New Orleans, LA	$4,026	$338	$43.34	$1.18	5
	Sioux Falls, SD	Galveston-Houston, TX	$5,824	$465	$62.45	$1.70	0
	Northwest KS	Galveston-Houston, TX	$4,293	$371	$46.31	$1.26	5
	Amarillo, TX	Los Angeles, CA	$4,492	$516	$49.73	$1.35	5
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,192	$382	$35.49	$0.90	3
	Toledo, OH	Raleigh, NC	$4,686	$433	$50.83	$1.29	4
	Des Moines, IA	Davenport, IA	$2,078	$81	$21.44	$0.54	4
	Indianapolis, IN	Atlanta, GA	$4,061	$325	$43.56	$1.11	3
	Indianapolis, IN	Knoxville, TN	$3,469	$209	$36.52	$0.93	3
	Des Moines, IA	Little Rock, AR	$3,218	$238	$34.32	$0.87	2
	Des Moines, IA	Los Angeles, CA	$5,215	$693	$58.67	$1.49	3
Soybeans	Minneapolis, MN	New Orleans, LA	$3,414	$417	$38.04	$1.04	3
	Toledo, OH	Huntsville, AL	$3,687	$308	$39.67	$1.08	3
	Indianapolis, IN	Raleigh, NC	$4,756	$436	$51.56	$1.40	4
	Indianapolis, IN	Huntsville, AL	$3,379	$209	$35.63	$0.97	3
	Champaign-Urbana, IL	New Orleans, LA	$3,748	$382	$41.02	$1.12	4
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,678	$326	$39.76	$1.08	3
	Wichita, KS	Galveston-Houston, TX	$3,798	$253	$40.23	$1.09	0
	Chicago, IL	Albany, NY	$3,950	$406	$43.26	$1.18	4
	Grand Forks, ND	Portland, OR	$5,159	$562	$56.82	$1.55	2
	Grand Forks, ND	Galveston-Houston, TX	$6,084	$586	$66.23	$1.80	0
	Northwest KS	Portland, OR	$5,043	$608	$56.11	$1.53	0
Corn	Minneapolis, MN	Portland, OR	$5,000	$685	$56.45	$1.43	4
	Sioux Falls, SD	Tacoma, WA	$4,960	$627	$55.48	$1.41	4
	Champaign-Urbana, IL	New Orleans, LA	$3,011	$382	$33.70	$0.86	3
	Lincoln, NE	Galveston-Houston, TX	$3,510	$366	$38.49	$0.98	6
	Des Moines, IA	Amarillo, TX	$3,590	$299	$38.62	$0.98	2
	Minneapolis, MN	Tacoma, WA	$5,000	$679	$56.40	$1.43	4
	Council Bluffs, IA	Stockton, CA	$4,400	$703	$50.67	$1.29	4
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,520	$627	$61.04	$1.66	4
	Minneapolis, MN	Portland, OR	$5,530	$685	$61.72	$1.68	4
	Fargo, ND	Tacoma, WA	$5,430	$558	$59.46	$1.62	4
	Council Bluffs, IA	New Orleans, LA	$4,175	$441	$45.84	$1.25	5
	Toledo, OH	Huntsville, AL	$2,862	$308	$31.47	$0.86	4
	Grand Island, NE	Portland, OR	$5,110	$622	$56.92	$1.55	3

[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: 6/1/2014 Commodity	Origin state	Destination region	Tariff rate/car[1]	Fuel surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	bushel[3]	Percent change Y/Y[4]
Wheat	MT	Chihuahua, CI	$6,360	$595	$71.06	$1.93	2
	OK	Cuautitlan, EM	$6,265	$723	$71.39	$1.94	-6
	KS	Guadalajara, JA	$6,849	$698	$77.11	$2.10	-16
	TX	Salinas Victoria, NL	$3,798	$272	$41.59	$1.13	30
Corn	IA	Guadalajara, JA	$7,974	$821	$89.86	$2.28	3
	SD	Celaya, GJ	$7,656	$778	$86.18	$2.19	4
	NE	Queretaro, QA	$7,353	$729	$82.59	$2.10	3
	SD	Salinas Victoria, NL	$5,880	$592	$66.12	$1.68	3
	MO	Tlalnepantla, EM	$6,792	$709	$76.63	$1.94	3
	SD	Torreon, CU	$6,722	$652	$75.34	$1.91	3
Soybeans	MO	Bojay (Tula), HG	$7,868	$693	$87.46	$2.38	4
	NE	Guadalajara, JA	$8,447	$792	$94.40	$2.57	4
	IA	El Castillo, JA	$8,855	$774	$98.38	$2.67	3
	KS	Torreon, CU	$6,864	$491	$75.15	$2.04	3
Sorghum	TX	Guadalajara, JA	$6,953	$507	$76.22	$1.93	7
	NE	Celaya, GJ	$7,212	$707	$80.91	$2.05	3
	KS	Queretaro, QA	$6,650	$444	$72.48	$1.84	-2
	NE	Salinas Victoria, NL	$5,368	$520	$60.15	$1.53	-1
	NE	Torreon, CU	$6,243	$580	$69.72	$1.77	2

[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

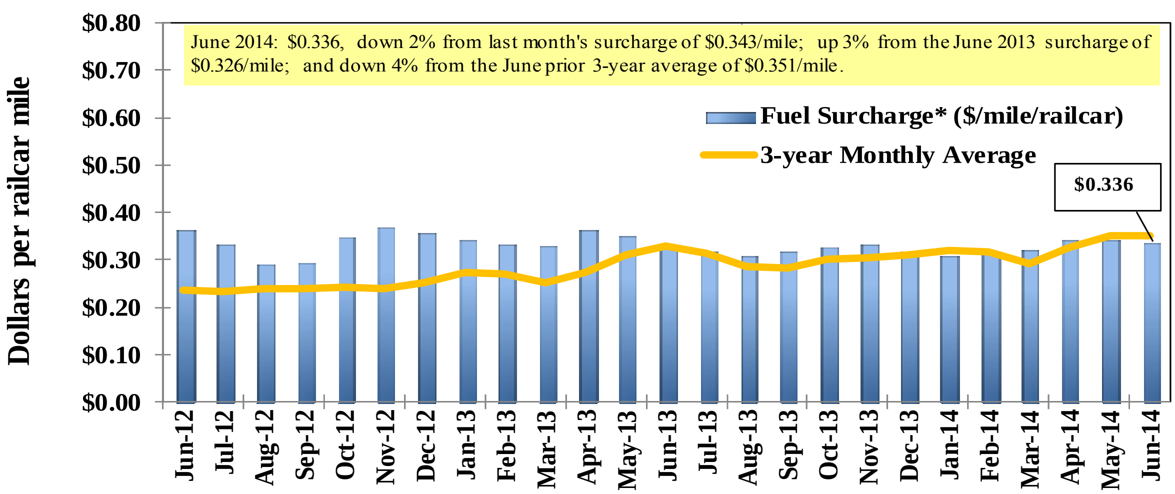
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[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.

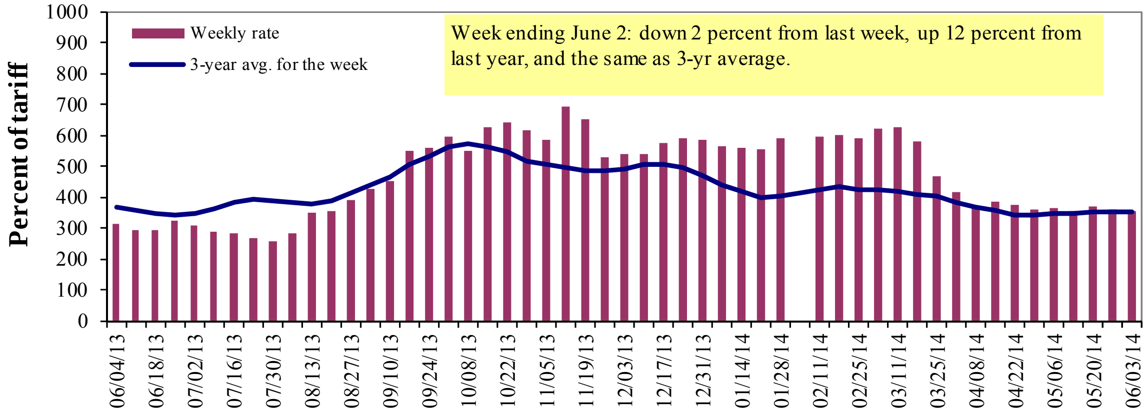
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]	6/3/2014	420	355	353	240	232	232	200
	5/27/2014	447	360	360	238	232	232	200
$/ton	6/3/2014	26.00	18.89	16.38	9.58	10.88	9.37	6.28
	5/27/2014	27.67	19.15	16.70	9.50	10.88	9.37	6.28
Current week % change from the same week:								
	Last year	6	12	12	8	20	20	10
	3-year avg. [2]	-3	-2	0	-9	-22	-22	-13
Rate[1]	July	427	355	360	250	255	255	230
	September	562	525	522	467	515	515	437

[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

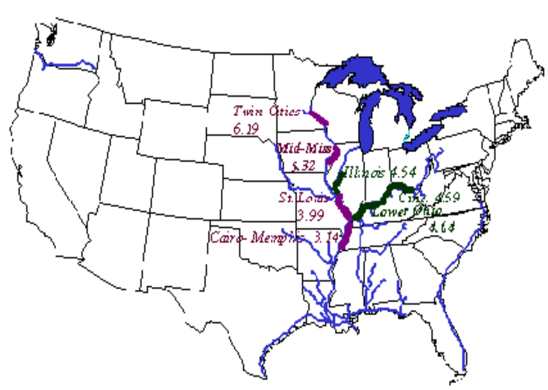
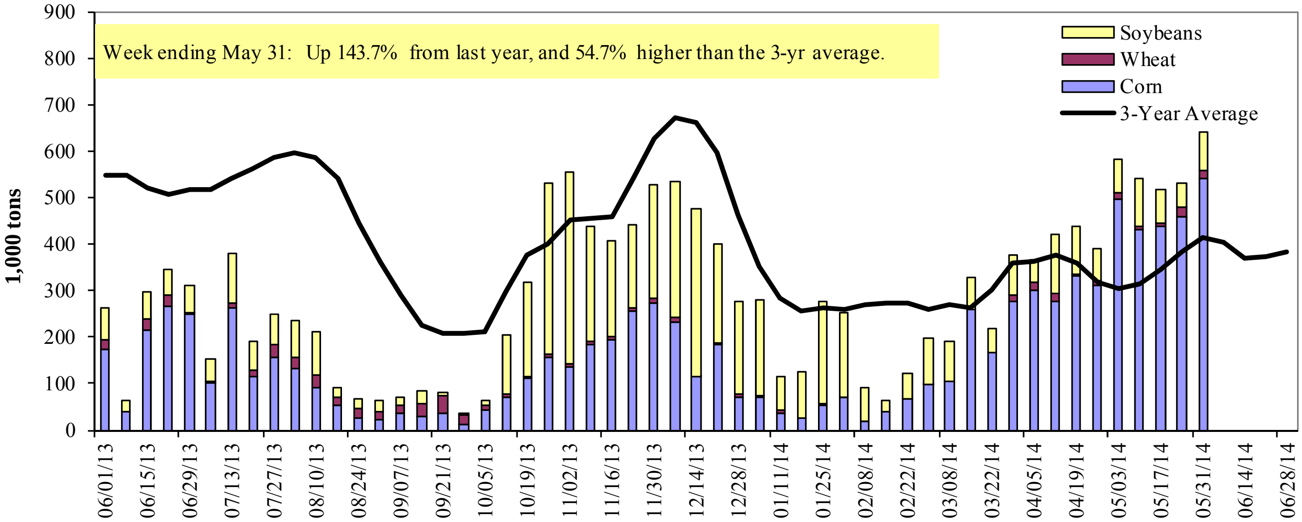


Figure 10

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 5/31/2014	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	135	9	42	0	187
Winfield, MO (L25)	189	13	36	0	238
Alton, IL (L26)	516	16	76	11	618
Granite City, IL (L27)	541	16	84	11	651
Illinois River (L8)	145	2	5	0	152
Ohio River (L52)	138	10	21	0	169
Arkansas River (L1)	0	25	0	8	34
Weekly total - 2014	679	51	105	19	854
Weekly total - 2013	209	34	86	2	330
2014 YTD[1]	9,033	827	4,356	96	14,312
2013 YTD	3,229	1,640	3,602	112	8,583
2014 as % of 2013 YTD	280	50	121	86	167
Last 4 weeks as % of 2013[2]	258	89	114	329	202
Total 2013	9,504	4,111	10,065	255	23,935

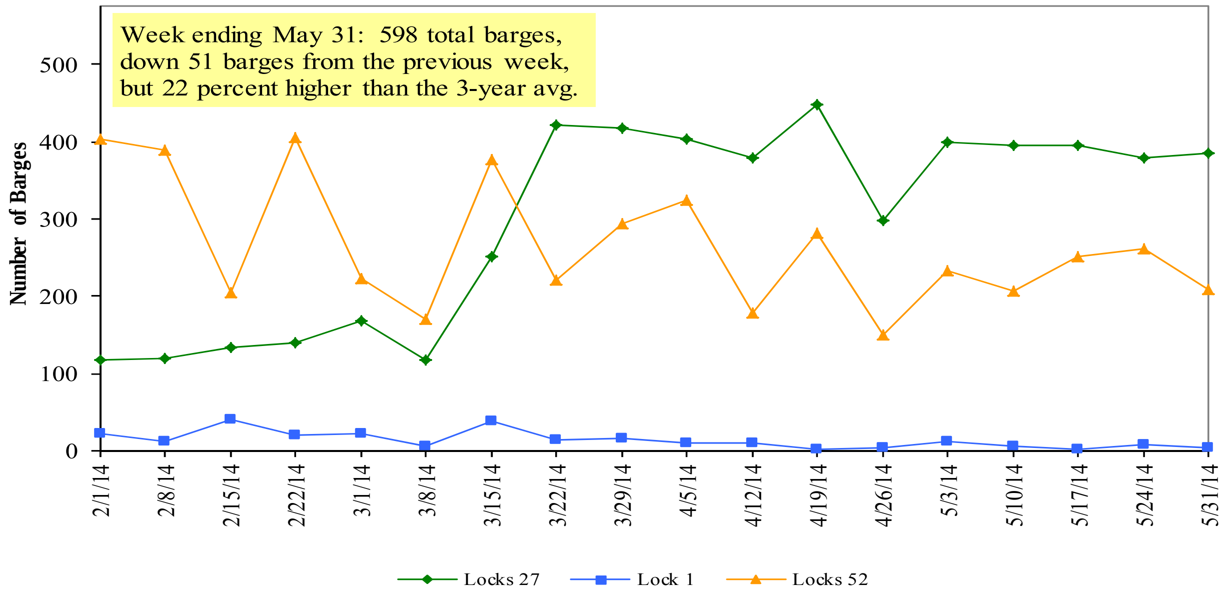
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

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

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

Figure 11

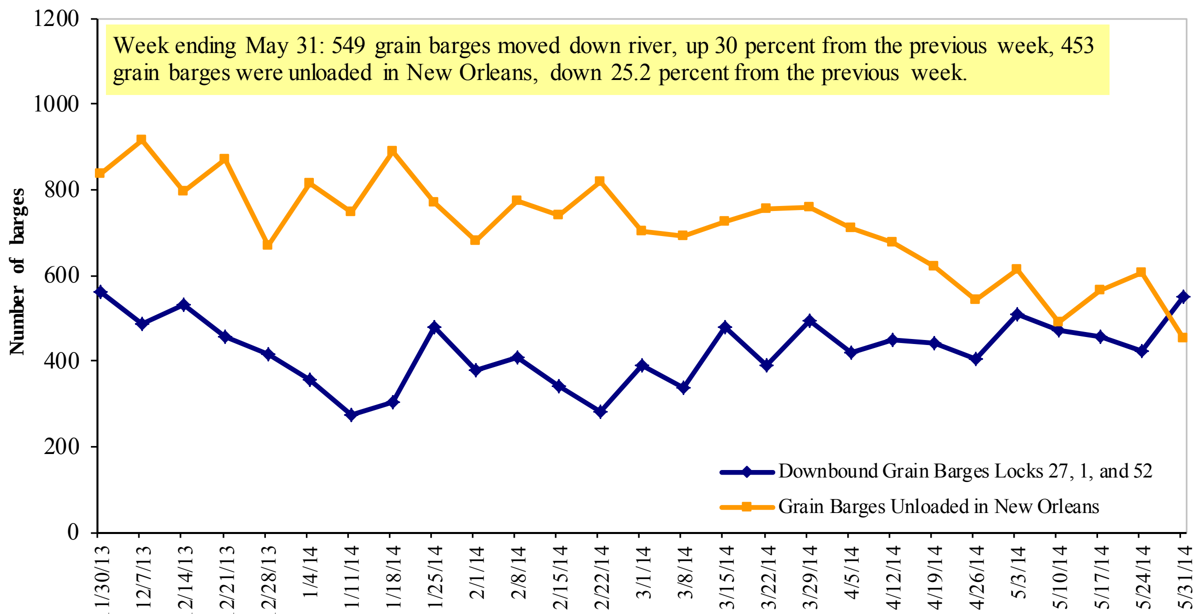
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 6/2/2013 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.013	-0.009	0.158
	New England	4.124	-0.006	0.140
	Central Atlantic	4.116	-0.011	0.196
	Lower Atlantic	3.910	-0.006	0.127
II	Midwest[2]	3.874	-0.010	-0.026
III	Gulf Coast[3]	3.783	0.000	0.013
IV	Rocky Mountain	3.936	-0.010	0.070
V	West Coast	4.021	-0.006	0.053
	West Coast less California	3.923	-0.006	0.024
	California	4.103	-0.006	0.078
Total	U.S.	3.918	-0.007	0.049

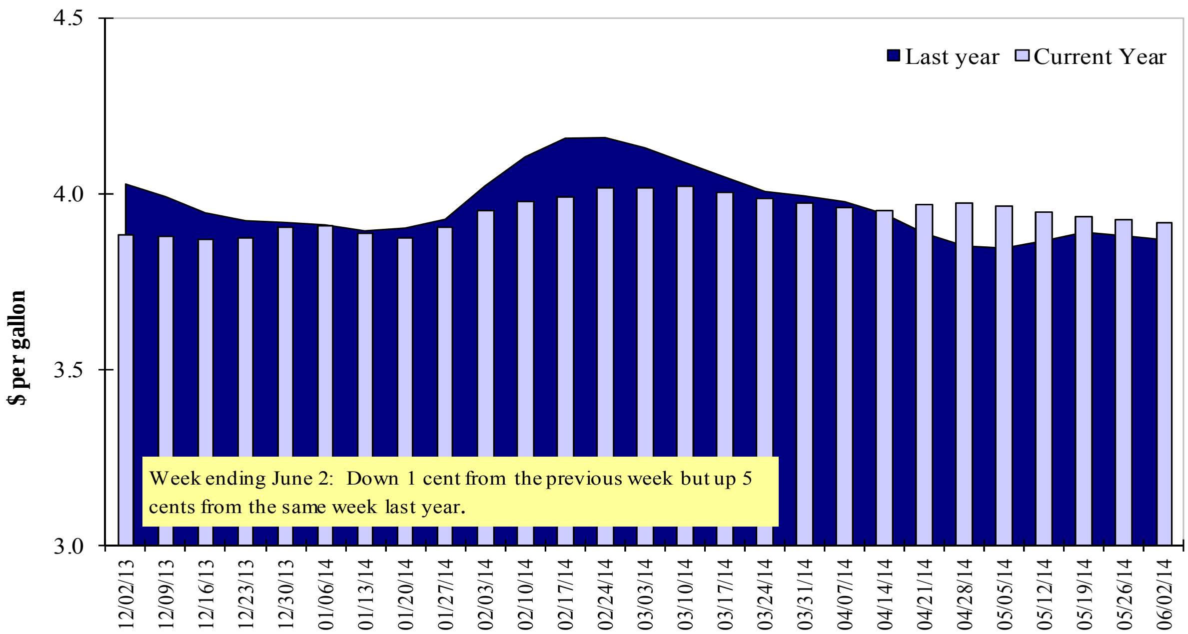
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
5/22/2014	672	342	861	327	65	2,267	12,987	2,217	17,471
This week year ago	762	424	234	123	23	1,567	3,639	1,821	7,027
Cumulative exports-marketing year[2]									
2013/14 YTD	11,300	7,227	6,238	4,240	466	29,471	32,654	42,716	104,841
2012/13 YTD	9,726	4,945	5,763	4,565	567	25,565	13,637	34,752	73,954
YTD 2013/14 as % of 2012/13	116	146	108	93	82	115	239	123	142
Last 4 wks as % of same period 2012/13	128	103	449	391	387	193	383	128	274
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254

[1] Current unshipped export sales to date

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

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

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

Table 13

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

Week ending 05/22/2014	**Total Commitments**[2]			**% change current MY from last MY**	**Exports**[3]
	2014/15 Next MY	**2013/14 Current MY**	**2012/13 Last MY**		**2012/13**
		- 1,000 mt -			- 1,000 mt -
Japan	1,154	9,975	6,129	63	7,000
Mexico	1,336	10,058	4,147	143	4,370
China	3	3,141	2,474	27	2,450
Venezuela	0	871	757	15	1,158
Taiwan	0	1,709	458	273	512
Top 5 Importers	**2,492**	**25,754**	**13,963**	**84**	**15,490**
Total US corn export sales	**2,964**	**45,641**	**17,276**	**164**	**18,690**
% of Projected	7%	95%	92%		
Change from prior week	**91**	621	86		
Top 5 importers' share of U.S. corn export sales	84%	56%	81%		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 Importers[1] of U.S. Soybeans

Week Ending 05/22/2014	Total Commitments[2] 2014/15 Next MY	2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
		- 1,000 mt -			- 1,000 mt -
China	5,488	27,598	21,597	28	21,522
Mexico	216	3,121	2,472	26	2,565
Japan	207	1,796	1,724	4	1,751
Indonesia	177	2,202	1,458	51	1,682
Taiwan	19	1,151	1,077	7	1,120
Top 5 importers	**6,106**	**35,867**	**28,329**	**27**	**28,641**
Total US soybean export sales	**9,388**	**44,932**	**36,574**	**23**	**35,910**
% of Projected	21%	103%	102%		
Change from prior week	821	60	(108)		
Top 5 importers' share of U.S. soybean export sales	65%	80%	77%		
USDA forecast, May 2014	**44,230**	**43,550**	**35,910**	**21**	

(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 05/22/2014	Total Commitments[2] 2014/15 Next MY	2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
		- 1,000 mt -			- 1,000 mt -
Japan	164	3,079	3,648	(16)	3,544
Nigeria	171	2,680	3,166	(15)	3,002
Mexico	514	3,096	2,826	10	2,761
Philippines	325	2,161	1,945	11	1,965
Egypt	0	1,678	321	422	1,678
Korea	319	1,330	1,410	(6)	1,385
Taiwan	113	1,027	1,038	(1)	1,038
China	18	4,273	799	435	743
Brazil	266	4,288	572	649	527
Colombia	74	763	674	13	600
Top 10 importers	**1,963**	**24,375**	**16,400**	**49**	**17,243**
Total US wheat export sales	**4,067**	**31,737**	**27,131**	**17**	**27,420**
% of Projected	16%	98%	99%		
Change from prior week	532	(52)	36		
Top 10 importers' share of U.S. wheat export sales	48%	77%	60%		63%
USDA forecast, May 2014	**25,860**	**32,250**	**27,420**	**18**	

(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 05/29/14	Previous Week[1]	Current Week as % of Previous	2014 YTD[1]	2013 YTD[1]	2014 YTD as % of 2013 YTD	Last 4-weeks as % of 2013	Last 4-weeks as % of 3-yr. avg.	Total[1] 2013
Pacific Northwest									
Wheat	246	259	95	5,637	4,981	113	198	107	11,585
Corn	306	131	234	3,669	1,255	292	1,623	188	2,973
Soybeans	0	0	n/a	4,476	3,762	119	11	3	9,090
Total	**552**	**389**	**142**	**13,782**	**9,999**	**138**	**294**	**114**	**23,647**
Mississippi Gulf									
Wheat	86	52	165	1,879	3,678	51	49	43	9,711
Corn	504	807	62	14,460	4,686	309	333	196	14,828
Soybeans	119	42	280	9,901	6,877	144	241	95	21,462
Total	**709**	**902**	**79**	**26,240**	**15,241**	**172**	**231**	**144**	**46,002**
Texas Gulf									
Wheat	97	130	74	3,035	3,267	93	80	82	9,039
Corn	0	64	0	279	101	276	219	114	255
Soybeans	0	0	n/a	258	122	211	n/a	352	908
Total	**97**	**194**	**50**	**3,572**	**3,490**	**102**	**85**	**84**	**10,203**
Interior									
Wheat	11	33	34	549	385	143	153	159	1,244
Corn	100	96	104	2,301	1,140	202	179	93	3,943
Soybeans	41	50	82	1,829	1,586	115	378	77	3,212
Total	**153**	**179**	**85**	**4,679**	**3,110**	**150**	**145**	**94**	**8,399**
Great Lakes									
Wheat	44	32	141	150	398	38	56	77	884
Corn	0	19	0	42	0	n/a	n/a	1,479	0
Soybeans	0	0	n/a	30	5	586	n/a	21	699
Total	**44**	**51**	**87**	**222**	**403**	**55**	**80**	**94**	**1,583**
Atlantic									
Wheat	28	31	92	135	361	38	88	57	645
Corn	43	5	951	313	2	n/a	n/a	270	242
Soybeans	2	1	130	980	683	143	79	71	1,652
Total	**74**	**37**	**200**	**1,428**	**1,046**	**137**	**153**	**93**	**2,540**
U.S. total from ports[2]									
Wheat	513	536	96	11,386	13,069	87	179	141	33,108
Corn	954	1,122	85	21,064	7,184	293	378	178	22,241
Soybeans	162	94	172	17,473	13,035	134	16	17	37,024
Total	**1,629**	**1,752**	**93**	**49,923**	**33,289**	**150**	**109**	**91**	**92,373**

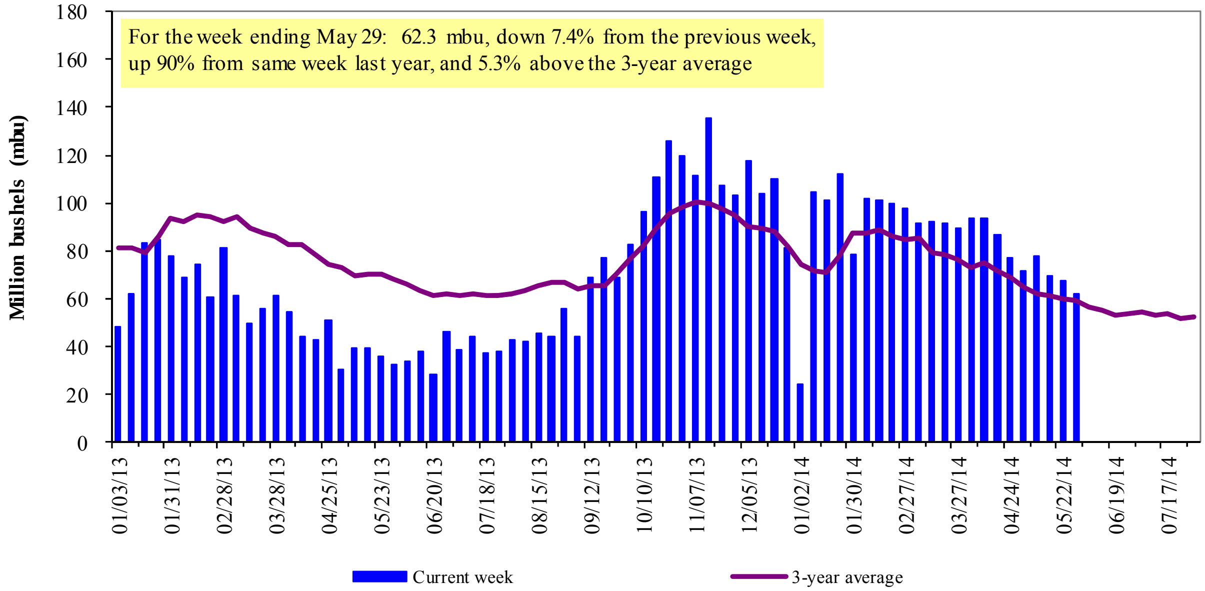
[1] Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2013.

Figure 14

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

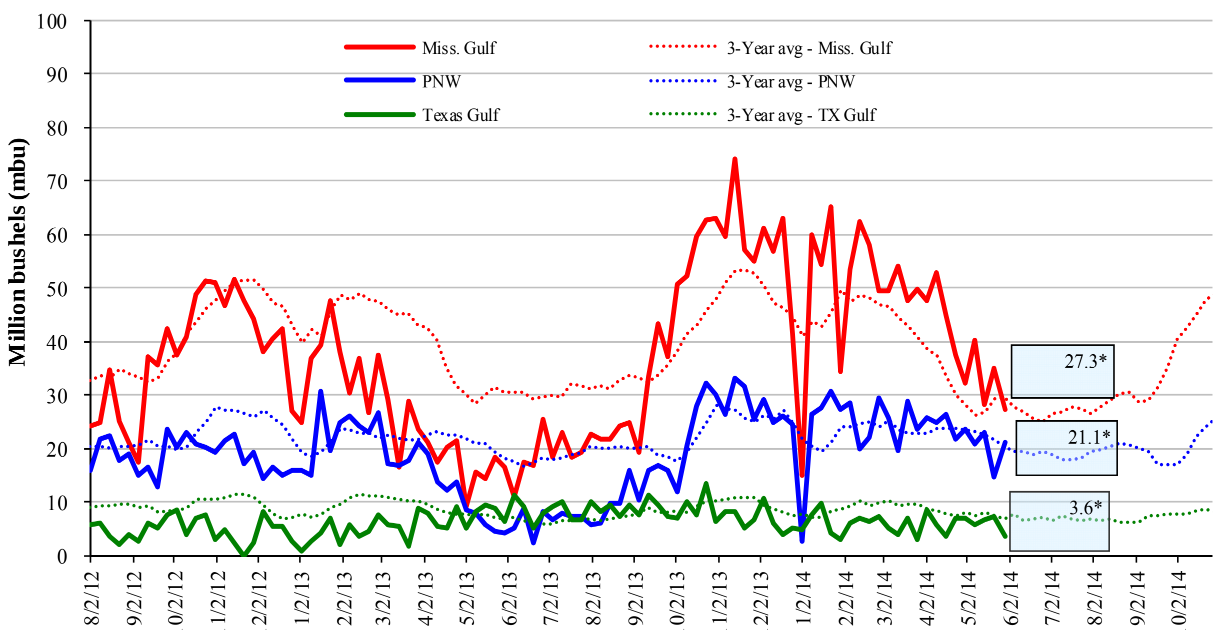


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

May 29: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 22	down 51	down 27	up 44
Last year (same week)	up 65	down 46	up 34	up 402
3-yr avg. (4-wk mov. avg.)	up 15	down 53	down 2	up 45

Ocean Transportation

Table 17

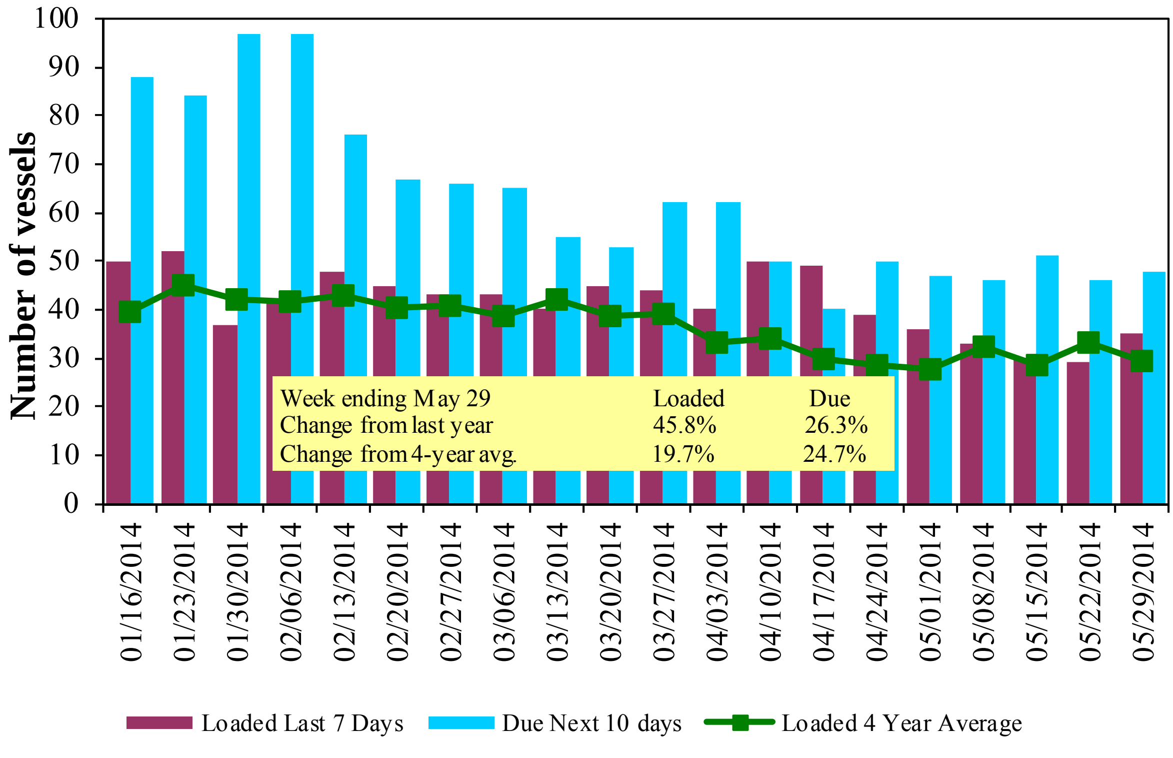
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
5/29/2014	34	35	48	12	n/a
5/22/2014	39	29	46	6	n/a
2013 range	(16..60)	(20..56)	(31..81)	(0..24)	n/a
2013 avg.	32	33	51	12	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

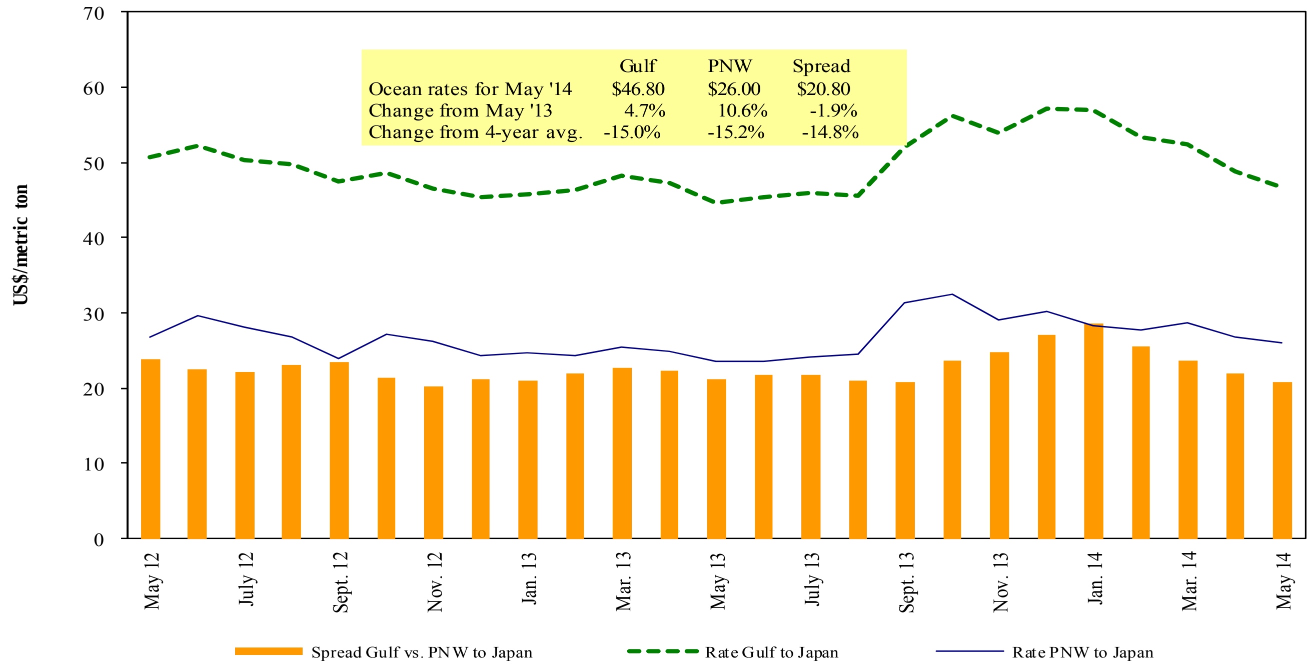
U.S. Gulf[1] Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA
[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 5/31/2014

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
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 15/30	60,000	37.00
Brazil	China	Grain	Jun 19/28	60,000	36.50
Brazil	China	Heavy Grain	Jun15/25	60,000	36.50
Brazil	China	Grain	Jun 10/20	60,000	36.75
Brazil	China	Heavy Grain	Jun 10/15	60,000	38.00
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	Grain	Jun 3/12	60,000	44.00
River Plate	Italy	SoybeanMeal	May 15/25	28,000	29.50
Ukraine	Tunisia	Wheat	May 15/18	25,000	19.00
Ukraine	Saudi Arabia	Heavy Grain	Apr 15/25	60,000	21.85

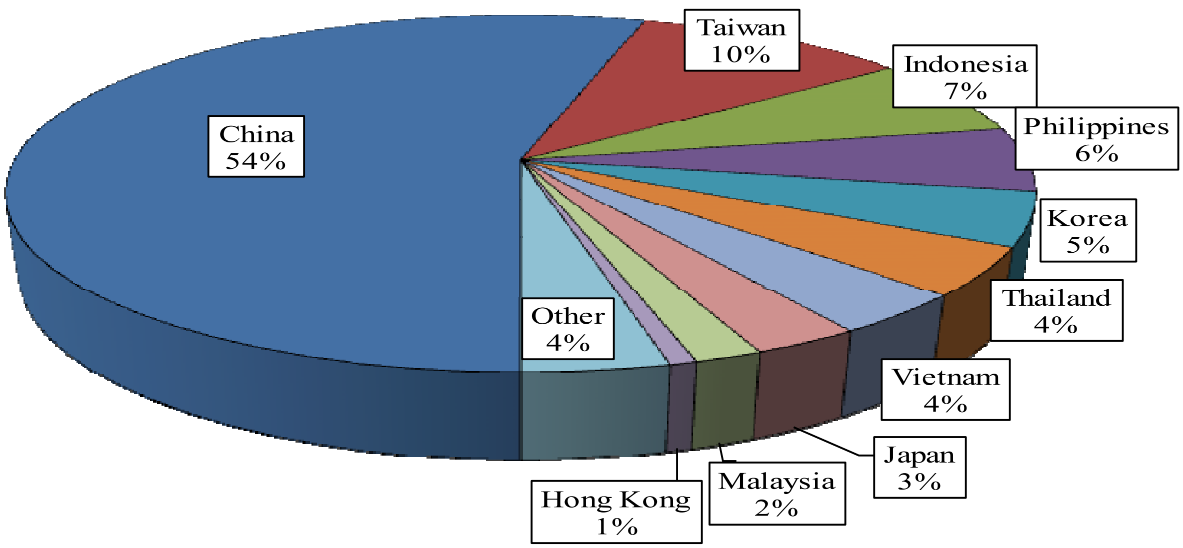
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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

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

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

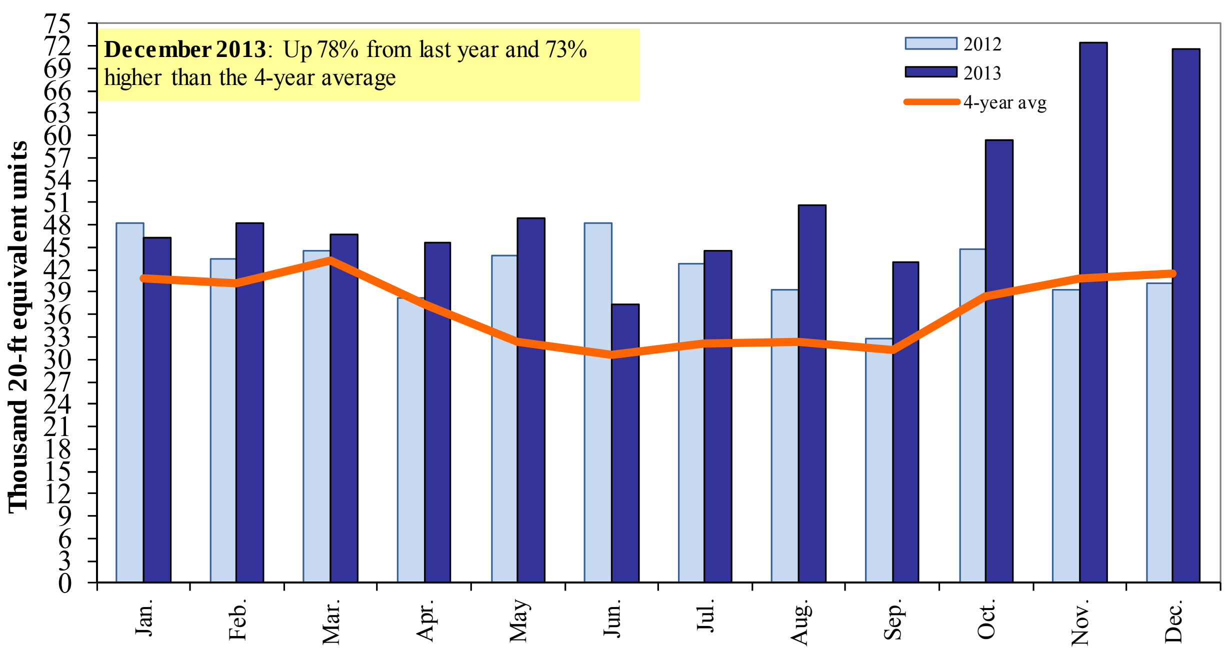
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2013



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

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

Figure 19
Monthly Shipments of Containerized Grain to Asia



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

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

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Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* June 5, 2014. Web: http://dx.doi.org/10.9752/TS056.06-05-2014