



Grain Transportation Report

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

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WEEKLY HIGHLIGHTS

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Corn Inspections Up for Second Consecutive Week

For the week ending August 1, total inspections of corn for export from the major export regions reached .377 mmt, up 40 percent from the past week but 27 percent below the same time last year. Corn inspections were also 16 percent above the 4-week running average. Corn shipments rebounded to Asia and the Middle East. Soybean inspections (.036 mmt) were up slightly from the previous week, but wheat inspections decreased 4 percent. **Total inspections of grain** (corn, wheat, and soybeans) for export reached 1.08 million metric tons (mmt), up 8 percent from the previous week but 26 percent below this time last year, and were driven by higher inspections of grain in the Mississippi and Texas Gulf.

Rail Industry's Cost of Capital Declined in 2012

On August 2, the Surface Transportation Board (STB) announced the rail industry's after-tax cost of capital was 11.11 percent in 2012, down from 11.57 percent in 2011 but up from 11.03 percent in 2010. This figure represents the STB's estimate of the average rate of return needed to attract capital from investors. The cost of capital is used by the STB for a variety of regulatory purposes including the adequacy of individual railroad's revenues, rate cases, rail line abandonments, rail-merger reviews, and the Uniform Rail Costing System.

Significant Increases in Barge Wheat Shipments

For the last 4 weeks, weekly wheat barge volumes have averaged 145,000 tons, 239 percent higher than the 5-year average. During the same time period, Ohio River wheat movements increased 383 percent, Upper Mississippi River wheat movements increased 270 percent, and Arkansas River increased 176 percent. Higher export wheat demand and reduced barged volumes of corn and soybeans have increased year-to-date wheat barge volumes 114 percent.

Snapshots by Sector

Rail

U.S. railroads originated 17,213 **carloads of grain** during the week ending July 27, up 7 percent from last week, down 8 percent from last year, and down 15 percent from the 3-year average.

During the week ending August 1, average August non-shuttle **secondary railcar bids/offers per car** were at tariff, down \$4 from last week and \$121.50 higher than last year. Average shuttle bids/offers were \$62 below tariff, up \$76 from last week and \$113 higher than last year.

Barge

During the week ending August 3, **barge grain movements** totaled 381,845 tons, 13.4 percent lower than the previous week and 46 percent lower than the same period last year.

During the week ending August 3, 245 grain barges **moved down river**, down 13.4 percent from last week; 376 grain barges were **unloaded in New Orleans**, up 14.3 percent from the previous week.

Ocean

During the week ending August 1, 30 **ocean-going grain vessels** were loaded in the Gulf, down 12 percent from the same period last year. Fifty vessels are expected to be loaded within the next 10 days, up 19 percent from the same period last year.

During the week ending August 2, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$46.50 per mt, 1 percent more than the previous week. The cost of shipping from the Pacific Northwest to Japan was \$24.75 per mt, 3 percent more than the previous week.

Fuel

During the week ending August 5, U.S. average **diesel fuel prices**, at \$3.91 per gallon, were down 1 cent from the previous week and 6 cents higher than the same week last year.

Feature Article/Calendar

Agricultural Transportation Summit

Roughly 170 participants gathered to discuss agricultural transportation issues at the *Agricultural Transportation Summit: A Modern Infrastructure for Modern Agriculture* on July 30 and 31 in Rosemont, IL. The meeting was jointly hosted by the Soy Transportation Coalition (STC), the National Grain and Feed Association (NGFA), and the U.S. Department of Agriculture's Agricultural Marketing Service. Participants included representatives from agricultural producers and shippers, transportation providers, trade associations, agribusiness, government and land grant universities. The purpose of the meeting was to: (1) discuss agricultural transportation issues and raise awareness of the importance of transportation to the success and profitability of U.S. agriculture, (2) motivate action to promote a transportation infrastructure that better serves the interest of U.S. agriculture, (3) provide a venue for advocates of U.S. agriculture to network and develop collaborations for promoting the transportation needs of U.S. agriculture, and (4) build bridges between government and agricultural interests, resulting in more effective promotion of agricultural transportation issues.

The summit hosted many speakers during six different panels (see: <http://www.ngfa.org/events/upcoming-events/transportation-summit/>). Below are some of the highlights from these presentations. Please note: A mention in this article does not necessarily imply an endorsement by USDA of the comment made during the summit, but rather, is intended to provide the full breadth of the content discussed.

Panel on Surface Transportation Issues:

- Transportation funding has not kept up with demand, and the cost of doing nothing is high.
- States should be given the ability to allow heavier trucks with additional axles. Doing so would improve safety, protect the environment, and strengthen the economy.
- Our country should use sensor technology to help manage rural bridges. Relying on visual inspections in an age where inexpensive technology is readily available is not cost-effective or smart.

Panel on Maritime Issues:

- Transportation costs play a significant role in our exports' competitiveness. Much of our economic and physical security and quality of life depends on infrastructure that is wearing out faster than it is being replaced or rehabilitated. Resolving the Inland Waterway Trust Fund funding issue is urgent.
- How we allocate money for inland waterways is just as important as how much money we allocate. Because a predictably good inland waterway system is better than a hypothetically great one, should we transition from a "build & expand" approach to a "preserve & maintain" approach?
- The status quo for funding the inland waterway projects is inadequate, but industry proposals to increase the fuel tax have been ignored by Congress.
- Underfunding the maintenance of highways, locks, dams, ports and harbors threatens our country's competitive advantage for bulk agricultural commodities. Competing exporting countries are investing billions in transportation infrastructure while the United States falls behind.

Panel on Rail Issues:

- There is a strong link between the U.S. rail industry and agriculture. The agricultural business hauled by rail is variable, and its variability is challenging to manage. The rail industry manages five critical resources: workforces, mainlines, locomotives, freight cars, and terminals, and continues to invest significant capital to provide capacity and service.
- Agriculture needs a robust and effective dispute resolution processes for rail.
- U.S. freight will expand, but more slowly than the gross domestic product. Rail freight growth may outpace truck freight growth. Agriculture's use of rail will increase because of expanding grain exports and because less corn is being used in ethanol production as a result of the ethanol blend wall and a cap on corn ethanol mandated by the Renewable Fuels Standard.
- U.S. rail capacity is nearing a maximum. Rail investment provides a significant benefit-to-cost ratio. Therefore, federal incentives could assist in growing capacity and improving sustainability.

Status of Transportation Infrastructure Investment in Brazil:

- Brazil is a major producer and exporter of agricultural products, such as orange juice, sugar, poultry, coffee, beef, soybeans, corn, and pork. Brazil's agribusiness success is a worldwide reality.
- Almost three-fourths of Brazil's soybeans move by truck to port for export, whereas about half of U.S. soybeans move by barge. This frequently gives the U.S. a transportation advantage due to its efficient transportation system.
- Port congestion is a serious problem in Brazil, but investments in road, rail, inland waterway, and port infrastructures are underway to help improve the logistics.

Panel on Containerized Shipping:

- Using containers to move U.S. grain exports continues to increase, despite the fact that freight rates are higher than the bulk freight alternative. Overseas demand for distillers grain continues to drive the containerized grain market.
- Truck drayage is a challenge with road weight restrictions, new hours of service regulations, and chassis charges. Transloading of commodities provides more options for accessing containers at inland intermodal facilities or at port locations.
- The ocean container carriers are working to increase freight rates in a market saturated with vessel capacity and limited demand for service. This environment causes rate fluctuations and can limit container availability.

Status of the Panama Canal Expansion:

- The Panama Canal expansion will increase cargo carrying capacity with larger vessels and more draft capacity. The expansion will decrease transit times, result in more efficient logistics networks, and reduce costs for shippers. The expansion can provide more flexibility and allow shippers to take advantage of demand surges by China.

This meeting was the first of its kind with significant representation from both agricultural producers and agribusiness, as well as transportation providers, government, trade associations and academia. The meeting concluded with a positive feeling and the STC/NGFA officials vowed to develop action steps to follow up on observations made during the meeting regarding the need to improve our country's transportation infrastructure for the betterment of U.S. agriculture. bruce.blanton@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
08/07/13	262	234	205	158	208	176
07/31/13	263	234	202	143	206	170

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

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

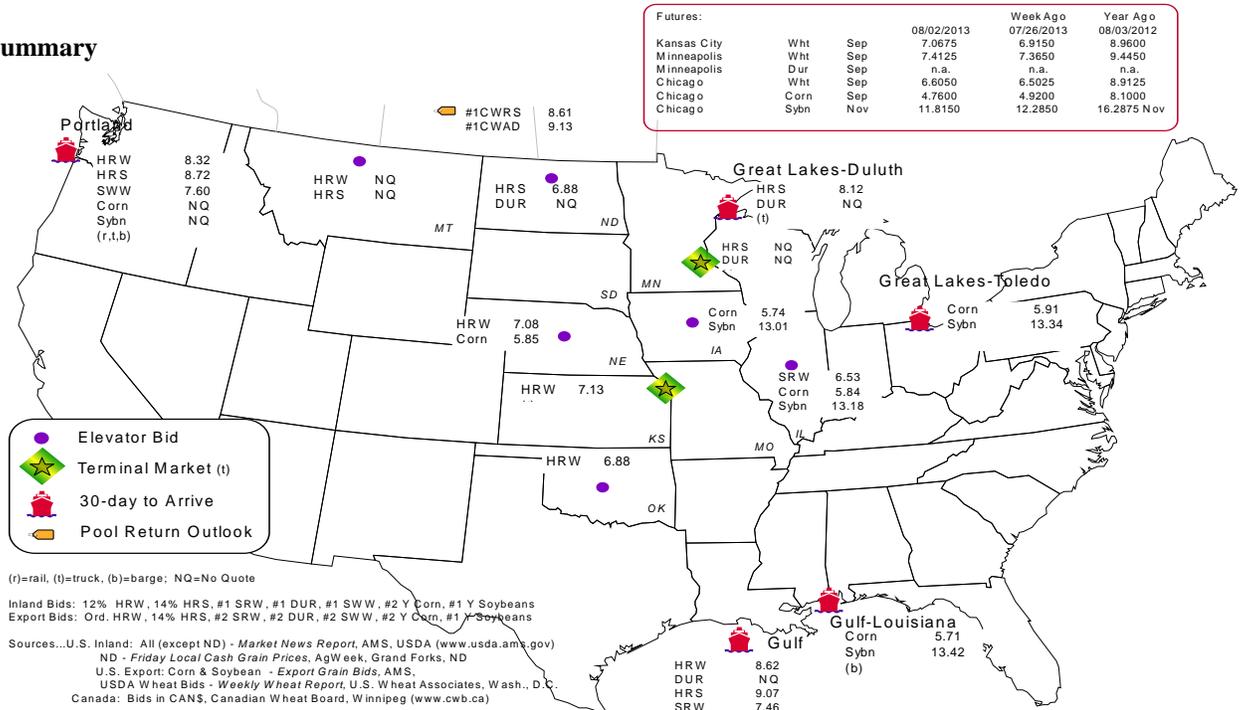
Commodity	Origin--Destination	8/2/2013	7/26/2013
Corn	IL--Gulf	0.13	-0.30
Corn	NE--Gulf	0.14	-0.31
Soybean	IA--Gulf	-0.41	-1.06
HRW	KS--Gulf	-1.49	-1.54
HRS	ND--Portland	-1.84	-1.86

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				
07/31/2013 ^p	1	1,656	1,215	43		2,915	07/27/13	1,037
07/24/2013 ^r	114	1,187	800	237		2,338	07/20/13	1,213
2013 YTD ^r	9,872	38,371	75,973	9,946		134,162	2013 YTD	36,460
2012 YTD ^r	5,216	23,053	121,549	11,144		160,962	2012 YTD	61,556
2013 YTD as % of 2012 YTD	189	166	63	89		83	% change YTD	59
Last 4 weeks as % of 2012 ²	48	228	33	111		67	Last 4wks % 2012	98
Last 4 weeks as % of 4-year avg. ²	66	153	27	77		55	Last 4wks % 4 yr	82
Total 2012	22,604	40,780	199,419	34,605		287,462	Total 2012	92,008
Total 2011	27,358	77,515	191,187	24,088		320,148	Total 2011	97,118

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2012 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.

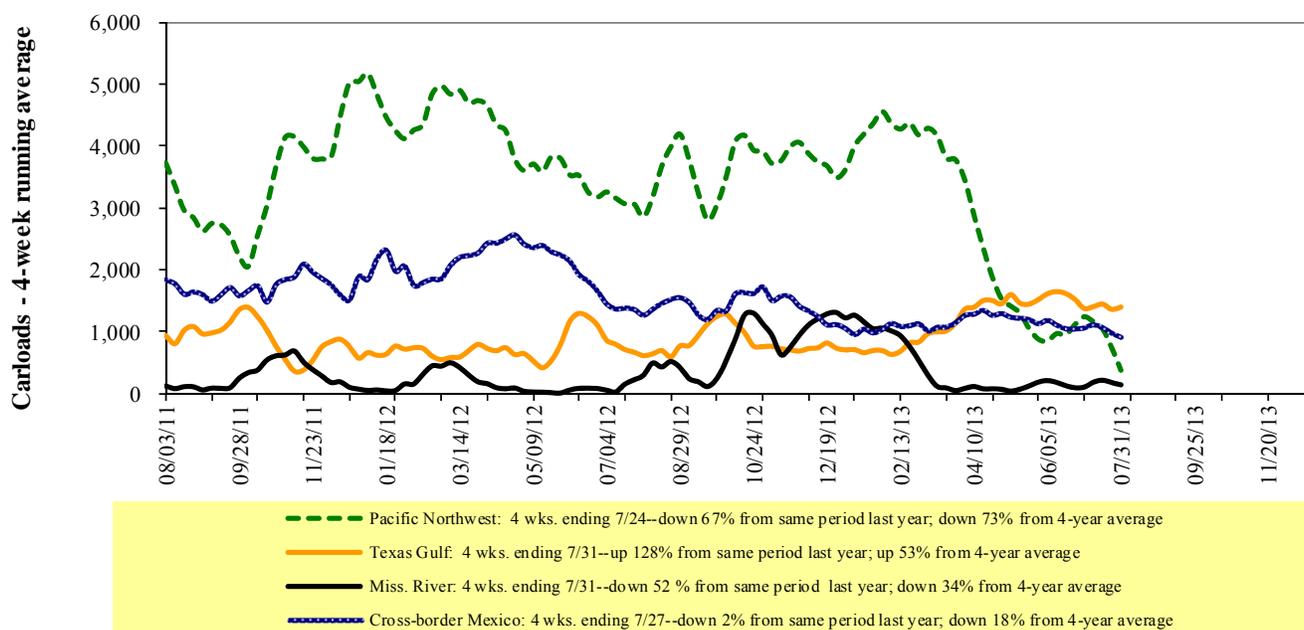
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



Source: Transportation & Marketing Programs/AMS/USDA

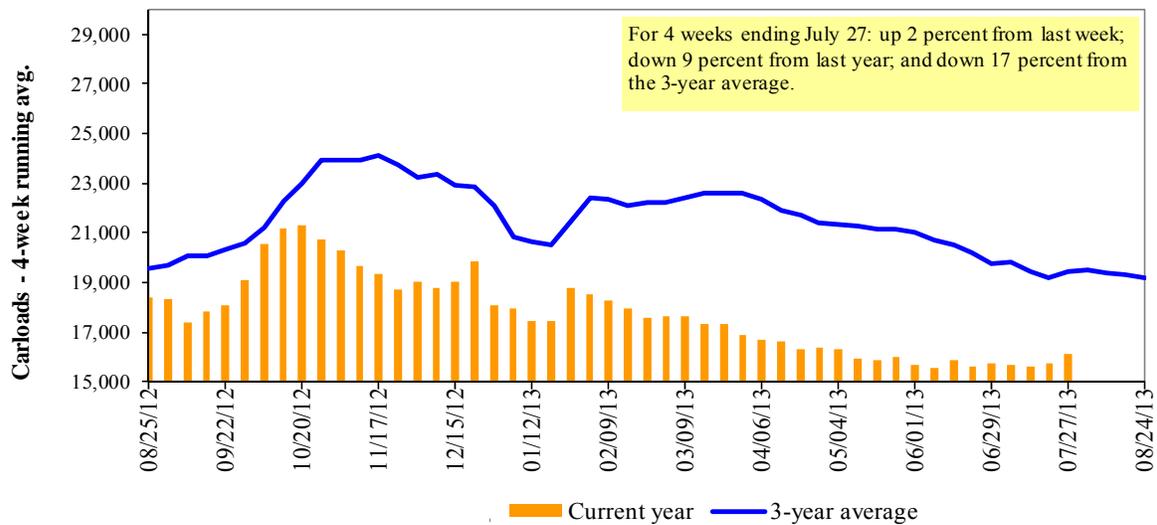
Table 4

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
07/27/13	1,323	2,787	9,117	563	3,423	17,213	2,555	5,760
This week last year	1,085	3,102	8,577	557	5,348	18,669	3,919	4,717
2013 YTD	43,651	75,919	254,093	14,141	114,263	502,067	95,166	154,762
2012 YTD	55,391	85,103	288,330	14,989	155,557	599,370	115,314	140,362
2013 YTD as % of 2012 YTD	79	89	88	94	73	84	83	110
Last 4 weeks as % of 2012	99	87	101	97	75	91	69	114
Last 4 weeks as % of 3-yr avg. ¹	81	85	89	83	72	83	73	101
Total 2012	85,384	145,336	515,638	26,936	244,077	1,017,371	204,068	266,266

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							
	Aug-13	Aug-12	Sep-13	Sep-12	Oct-13	Oct-12	Nov-13	Nov-12
BNSF ³								
COT grain units	2	5	1	0	8	2	no offer	no offer
COT grain single-car ⁵	0..1	0	0..3	0..5	0..3	3..27	no offer	no offer
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	1	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	3	1	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.

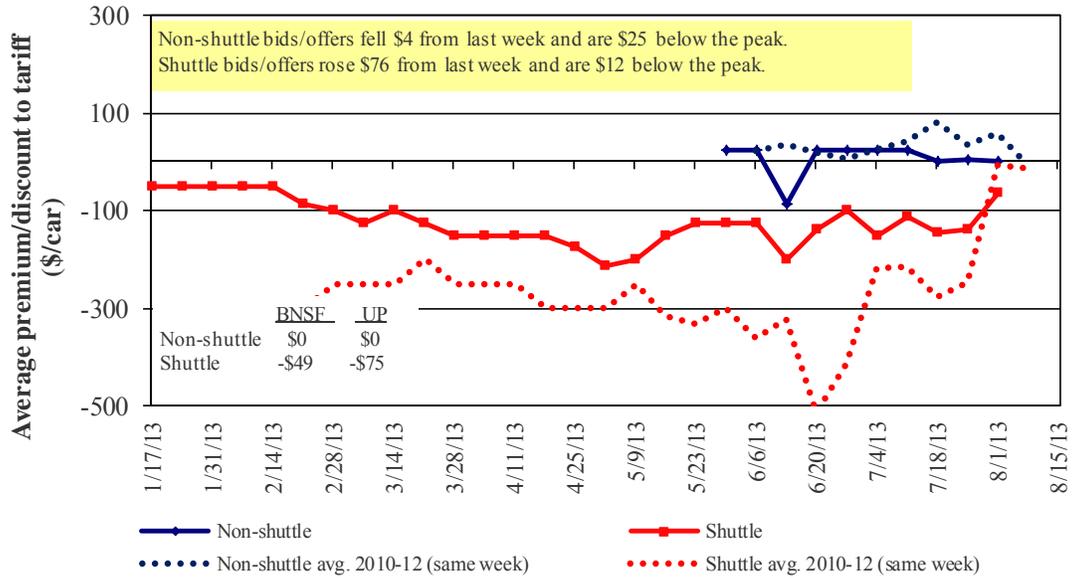
⁵Range is shown because average is not available. Not available = n/a.

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 August 2013, Secondary Market

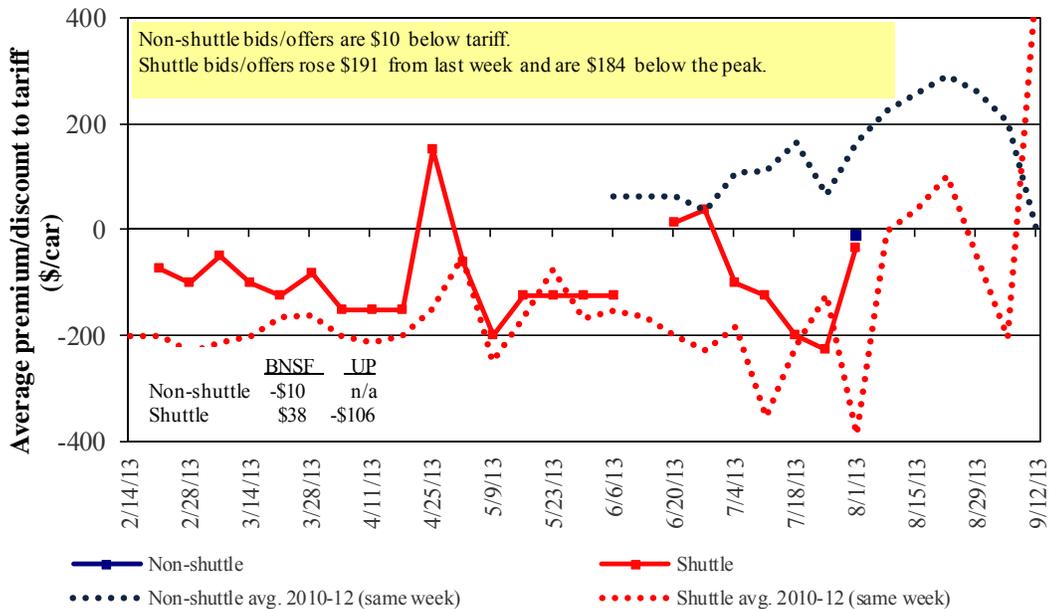


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in September 2013, Secondary Market

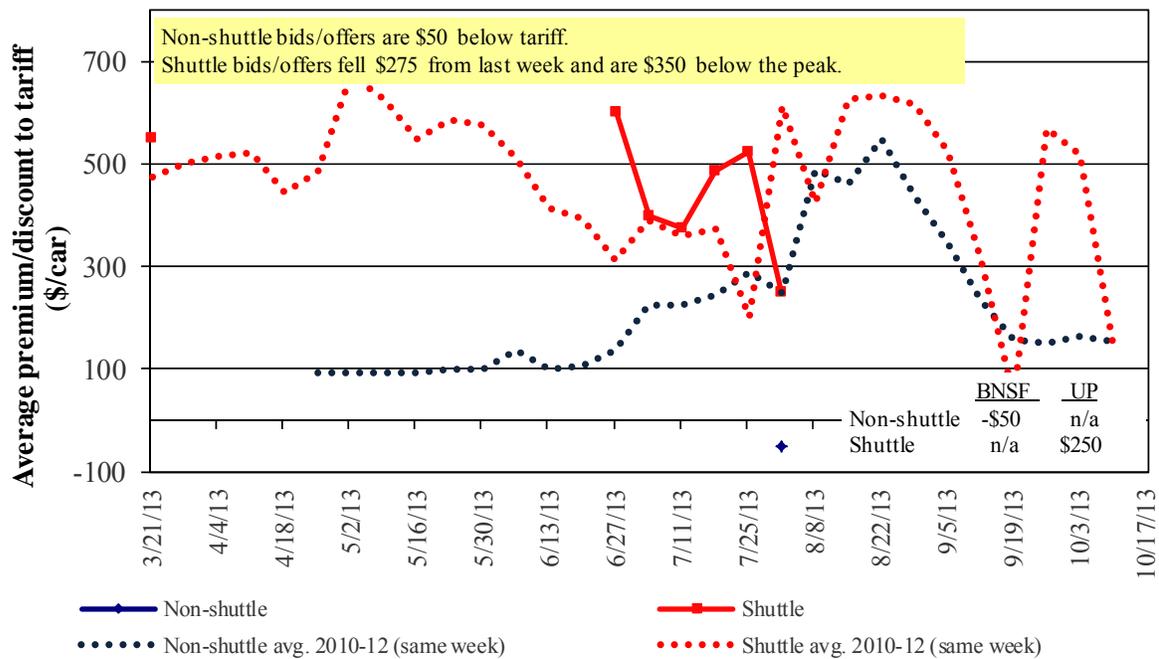


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in October 2013, 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					
	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
Non-shuttle						
BNSF-GF	-	(10)	(50)	n/a	n/a	n/a
Change from last week	(8)	n/a	n/a	n/a	n/a	n/a
Change from same week 2012	283	n/a	n/a	n/a	n/a	n/a
UP-Pool	-	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 2012	(40)	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(49)	38	n/a	n/a	n/a	n/a
Change from last week	14	n/a	n/a	n/a	n/a	n/a
Change from same week 2012	76	332	n/a	n/a	n/a	n/a
UP-Pool	(75)	(106)	250	n/a	n/a	n/a
Change from last week	138	119	(275)	n/a	n/a	n/a
Change from same week 2012	150	94	(38)	n/a	n/a	n/a

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

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

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

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

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:				Fuel	Tariff plus surcharge per:		Percent
8/1/2013	Origin region*	Destination region*	rate/car	surcharge per car	metric ton	bushe ^l ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,191	\$177	\$33.45	\$0.91	2
	Grand Forks, ND	Duluth-Superior, MN	\$3,707	\$101	\$37.82	\$1.03	8
	Wichita, KS	Los Angeles, CA	\$6,244	\$520	\$67.17	\$1.83	4
	Wichita, KS	New Orleans, LA	\$3,808	\$312	\$40.91	\$1.11	4
	Sioux Falls, SD	Galveston-Houston, TX	\$5,824	\$427	\$62.08	\$1.69	5
	Northwest KS	Galveston-Houston, TX	\$4,076	\$341	\$43.87	\$1.19	4
	Amarillo, TX	Los Angeles, CA	\$4,275	\$475	\$47.17	\$1.28	4
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,110	\$352	\$34.38	\$0.87	2
	Toledo, OH	Raleigh, NC	\$4,508	\$407	\$48.81	\$1.24	3
	Des Moines, IA	Davenport, IA	\$2,006	\$75	\$20.66	\$0.52	4
	Indianapolis, IN	Atlanta, GA	\$3,920	\$306	\$41.96	\$1.07	3
	Indianapolis, IN	Knoxville, TN	\$3,354	\$196	\$35.25	\$0.90	3
	Des Moines, IA	Little Rock, AR	\$3,146	\$219	\$33.42	\$0.85	2
Soybeans	Des Moines, IA	Los Angeles, CA	\$5,065	\$638	\$56.63	\$1.44	2
	Minneapolis, MN	New Orleans, LA	\$3,399	\$387	\$37.60	\$1.02	8
	Toledo, OH	Huntsville, AL	\$3,575	\$289	\$38.37	\$1.04	3
	Indianapolis, IN	Raleigh, NC	\$4,578	\$410	\$49.53	\$1.35	3
	Indianapolis, IN	Huntsville, AL	\$3,267	\$196	\$34.39	\$0.94	3
Champaign-Urbana, IL	New Orleans, LA	\$3,599	\$352	\$39.24	\$1.07	6	
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,678	\$299	\$39.50	\$1.07	6
	Wichita, KS	Galveston-Houston, TX	\$3,798	\$233	\$40.03	\$1.09	5
	Chicago, IL	Albany, NY	\$3,771	\$382	\$41.24	\$1.12	4
	Grand Forks, ND	Portland, OR	\$5,159	\$517	\$56.36	\$1.53	4
	Grand Forks, ND	Galveston-Houston, TX	\$6,181	\$538	\$66.73	\$1.82	4
	Northwest KS	Portland, OR	\$5,043	\$560	\$55.64	\$1.51	3
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$629	\$53.92	\$1.37	1
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$576	\$52.99	\$1.35	1
	Champaign-Urbana, IL	New Orleans, LA	\$2,929	\$352	\$32.58	\$0.83	3
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$336	\$36.21	\$0.92	1
	Des Moines, IA	Amarillo, TX	\$3,510	\$275	\$37.59	\$0.95	2
	Minneapolis, MN	Tacoma, WA	\$4,800	\$624	\$53.87	\$1.37	1
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,200	\$646	\$48.12	\$1.22	1
	Sioux Falls, SD	Tacoma, WA	\$5,320	\$576	\$58.55	\$1.59	6
	Minneapolis, MN	Portland, OR	\$5,330	\$629	\$59.18	\$1.61	6
	Fargo, ND	Tacoma, WA	\$5,230	\$512	\$57.02	\$1.55	6
	Council Bluffs, IA	New Orleans, LA	\$3,950	\$406	\$43.26	\$1.18	6
	Toledo, OH	Huntsville, AL	\$2,750	\$289	\$30.18	\$0.82	3
Grand Island, NE	Portland, OR	\$4,960	\$573	\$54.94	\$1.50	-2	

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

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	\$547	\$70.57	\$1.92	-16
	OK	Cuautitlan, EM	\$6,715	\$664	\$75.40	\$2.05	-1
	KS	Guadalajara, JA	\$8,293	\$642	\$91.29	\$2.48	11
	TX	Salinas Victoria, NL	\$2,872	\$250	\$31.90	\$0.87	-21
Corn	IA	Guadalajara, JA	\$7,699	\$754	\$86.37	\$2.19	1
	SD	Celaya, GJ ⁵	\$7,356	\$715	\$82.47	\$2.09	n/a
	NE	Queretaro, QA	\$7,153	\$670	\$79.94	\$2.03	1
	SD	Salinas Victoria, NL	\$5,700	\$544	\$63.80	\$1.62	1
	MO	Tlalnepantla, EM	\$6,592	\$651	\$74.00	\$1.88	1
	SD	Torreon, CU	\$6,522	\$599	\$72.76	\$1.85	0
Soybeans	MO	Bojay (Tula), HG	\$7,580	\$636	\$83.95	\$2.28	3
	NE	Guadalajara, JA	\$8,134	\$728	\$90.55	\$2.46	3
	IA	El Castillo, JA	\$8,555	\$711	\$94.68	\$2.57	4
	KS	Torreon, CU	\$6,651	\$452	\$72.57	\$1.97	4
Sorghum	TX	Guadalajara, JA	\$6,464	\$465	\$70.80	\$1.80	-2
	NE	Celaya, GJ ⁵	\$6,997	\$649	\$78.12	\$1.98	n/a
	KS	Queretaro, QA	\$6,815	\$408	\$73.80	\$1.87	6
	NE	Salinas Victoria, NL	\$5,438	\$478	\$60.44	\$1.53	6
	NE	Torreon, CU	\$6,153	\$533	\$68.32	\$1.73	2

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

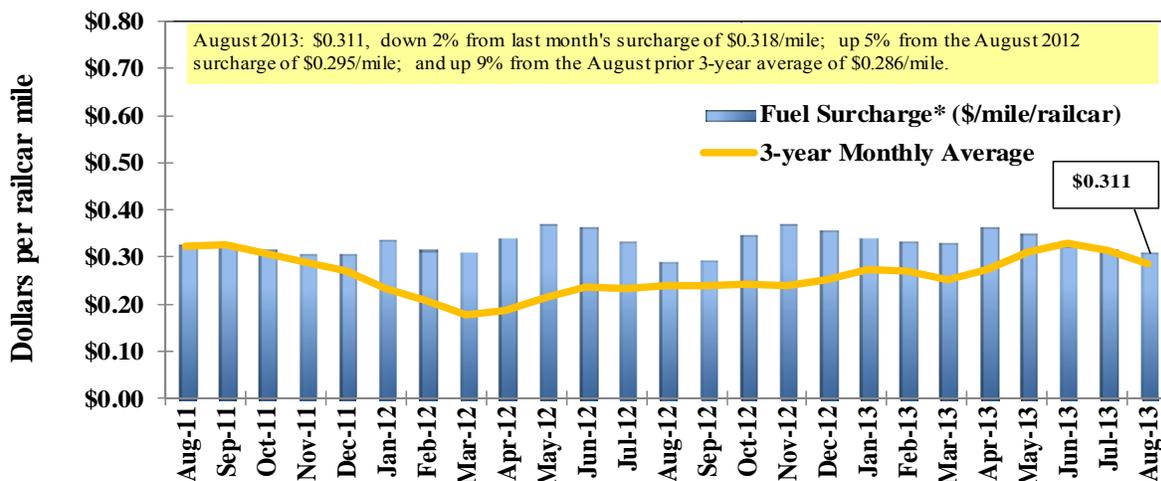
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵Beginning 11/1/12, Celaya, GJ, replaced Penjamo, GJ, as the destination.

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.

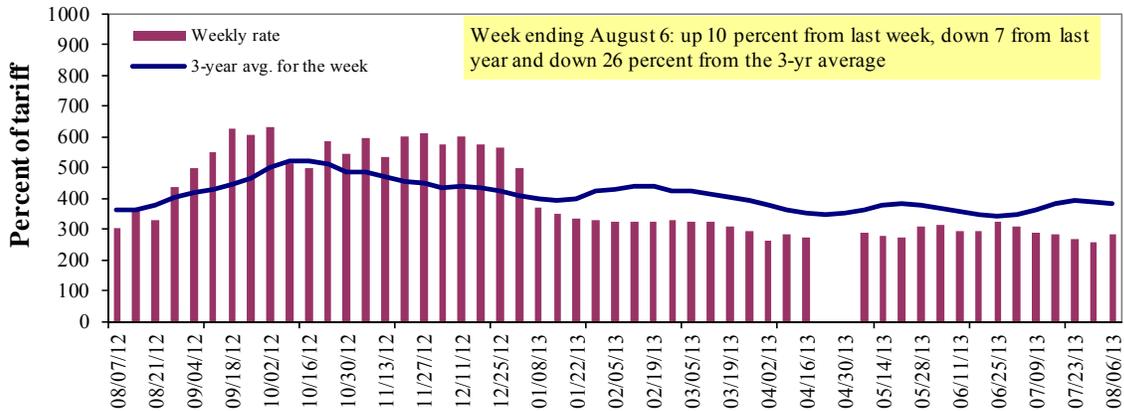
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.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	8/6/2013	337	297	285	230	277	277	203
	7/30/2013	328	278	258	217	207	207	188
\$/ton	8/6/2013	20.86	15.80	13.22	9.18	12.99	11.19	6.37
	7/30/2013	20.30	14.79	11.97	8.66	9.71	8.36	5.90
Current week % change from the same week:								
	Last year	-15	-8	-7	-27	-16	-16	-37
	3-year avg. ²	-23	-21	-26	-27	-26	-26	-32
Rate¹	September	495	462	455	420	468	468	402
	November	563	522	505	463	495	495	400

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-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

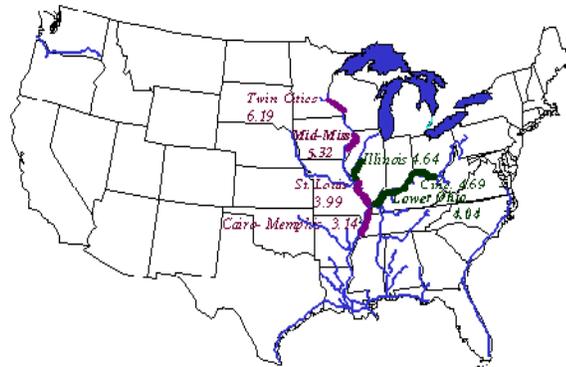
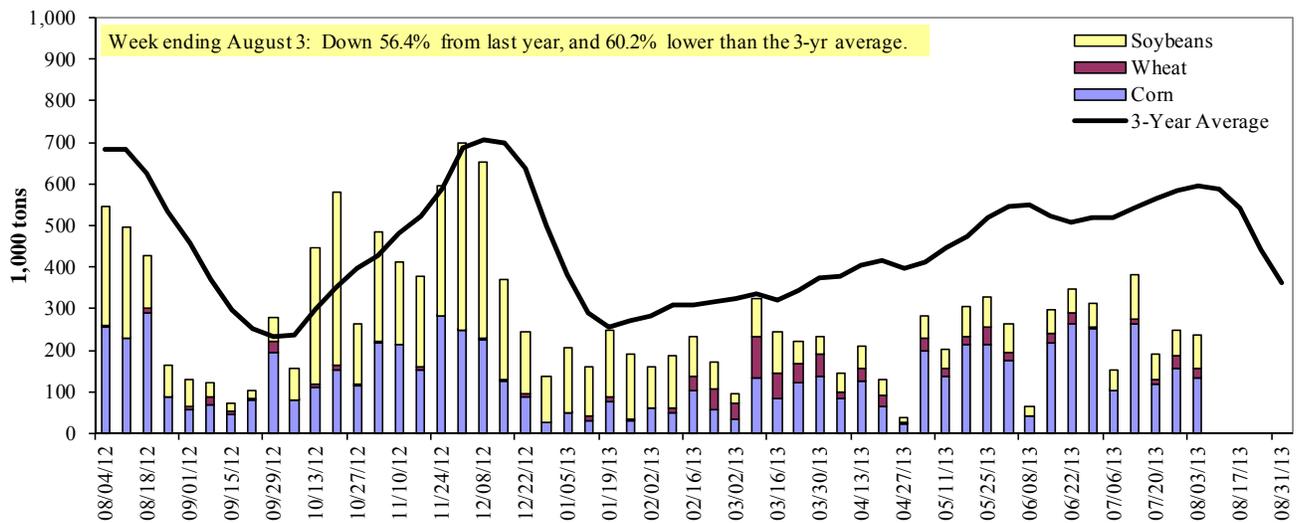


Figure 10

Barge Movements on the Mississippi 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 8/3/2013	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	69	9	25	0	103
Winfield, MO (L25)	110	6	63	0	179
Alton, IL (L26)	122	16	76	0	214
Granite City, IL (L27)	133	25	79	0	237
Illinois River (L8)	28	10	25	0	62
Ohio River (L52)	15	61	7	0	83
Arkansas River (L1)	0	60	1	0	61
Weekly total - 2013	148	146	88	0	382
Weekly total - 2012	310	39	352	5	706
2013 YTD ¹	5,030	2,664	4,334	133	12,160
2012 YTD	10,885	1,244	6,503	189	18,822
2013 as % of 2012 YTD	46	214	67	70	65
Last 4 weeks as % of 2012 ²	60	440	34	59	70
Total 2012	14,837	1,794	12,663	229	29,523

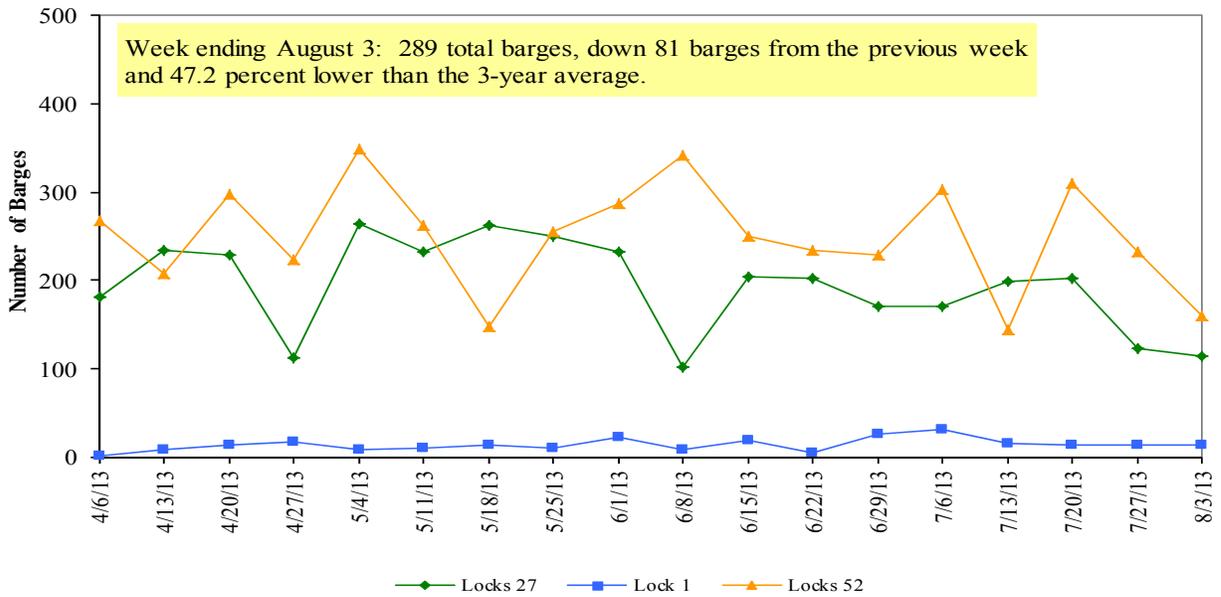
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2012.

Note: Total may not add exactly, due to rounding

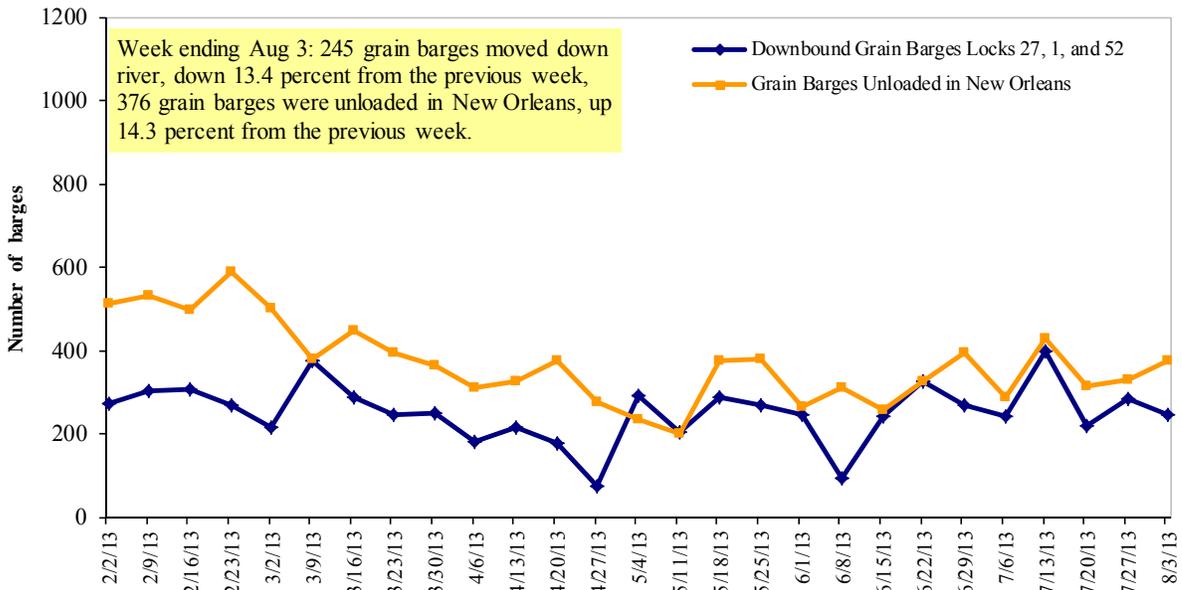
Source: U.S. Army Corps of Engineers

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 8/5/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.919	-0.012	0.050
	New England	4.056	-0.005	0.110
	Central Atlantic	3.983	-0.010	0.049
	Lower Atlantic	3.845	-0.016	0.039
II	Midwest ²	3.878	-0.008	0.027
III	Gulf Coast ³	3.841	-0.004	0.089
IV	Rocky Mountain	3.931	0.018	0.118
V	West Coast	4.054	0.002	0.095
	West Coast less California	3.961	-0.009	0.078
	California	4.133	0.011	0.110
Total	U.S.	3.909	-0.006	0.059

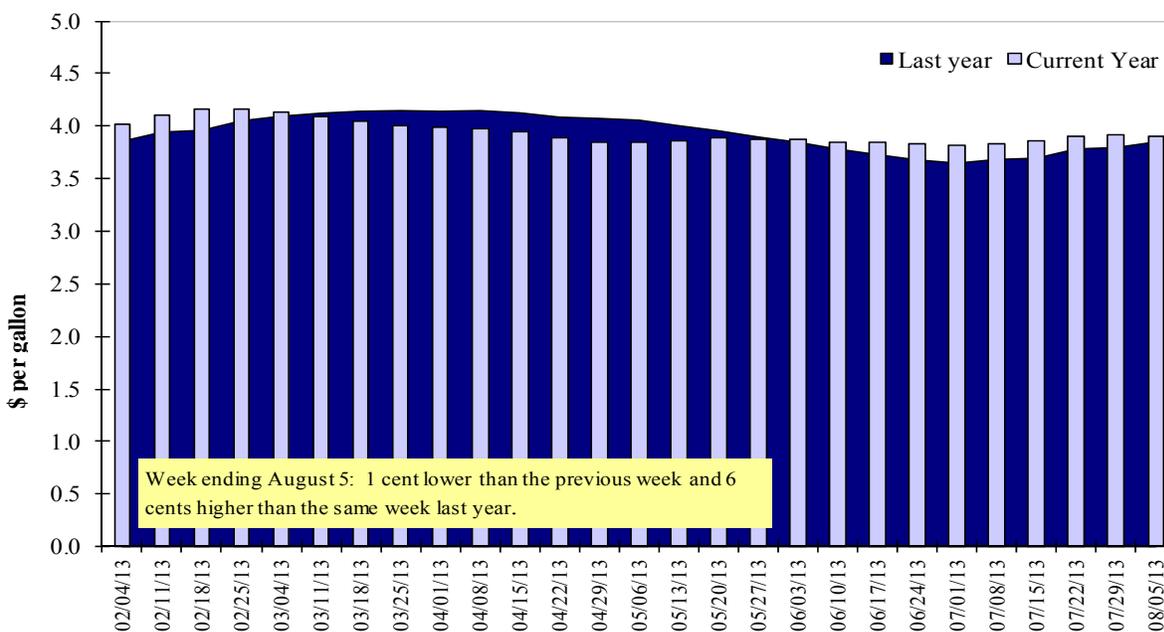
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
7/25/2013	1,962	3,673	1,339	1,036	85	8,094	2,521	1,269	11,884
This week year ago	1,509	745	1,449	1,266	102	5,072	3,732	4,135	12,939
Cumulative exports-marketing year²									
2012/13 YTD	2,125	1,576	698	369	32	4,799	16,298	35,795	56,892
2011/12 YTD	1,871	631	819	447	78	3,846	35,581	34,349	73,776
YTD 2012/13 as % of 2011/12	114	250	85	83	n/a	125	46	104	77
Last 4 wks as % of same period 2011/12	127	490	90	83	83	158	77	31	94
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year in effect for wheat

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 07/25/2013	Total Commitments ²			% change current MY from last MY	Exports ³ 2011/12
	2013/14 Next MY	2012/13 Current MY	2011/12 Last MY		
		- 1,000 mt -			- 1,000 mt -
Japan	1,073	7,186	11,997	(40)	12,367
Mexico	2,043	4,429	9,560	(54)	9,617
China	2,958	2,505	5,249	(52)	5,414
Korea	3	418	3,739	(89)	3,639
Venezuela	16	1,098	1,216	(10)	1,332
Top 5 Importers	6,093	15,636	31,760	(51)	32,369
Total US corn export sales	9,081	18,819	39,313	(52)	39,180
% of Projected	29%	106%	100%		
Change from prior week	1,091	134	179		
Top 5 importers' share of U.S. corn export sales	67%	83%	81%		83%
USDA forecast, July 2013	31,750	17,780	39,180	(55)	
Corn Use for Ethanol USDA forecast, Ethanol July 2013	124,460	118,110	127,280	(7)	

(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 07/25/2013	Total Commitments ²			% change current MY from last MY	Exports ³ 2011/12
	2013/14 Next MY	2012/13 Current MY	2011/12 Last MY		
	- 1,000 mt -				- 1,000 mt -
China	11,352	21,599	24,152	(11)	24,602
Mexico	376	2,598	3,176	(18)	3,180
Japan	0	1,809	1,795	1	1,891
Indonesia	58	1,624	1,556	4	1,741
Egypt	60	677	1,270	(47)	1,292
Top 5 importers	11,846	28,308	31,949	(11)	32,706
Total US soybean export sales	15,000	37,090	38,484	(4)	37,060
% of Projected	38%	102%	104%		
Change from prior week	1,031	79	194		
Top 5 importers' share of U.S. soybean export sales	79%	76%	83%		
USDA forecast, July 2013	39,460	36,200	37,060	(2)	

(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/³FAS 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 07/25/2013	Total Commitments ²		% change current MY from last MY	Exports ³ 2012/13
	2013/14 Current MY	2012/13 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	824	1,123	(27)	3,544
Nigeria	869	779	12	3,002
Mexico	1,235	1,205	3	2,761
Philippines	574	744	(23)	1,965
Egypt	131	58	125	1,678
Korea	333	551	(39)	1,385
Taiwan	216	342	(37)	1,038
China	3,580	341	949	743
Brazil	1,284	50	2467	527
Colombia	334	194	72	600
Top 10 importers	9,380	5,386	74	17,243
Total US wheat export sales	12,893	8,918	45	26,348
% of Projected	44%	32%		
Change from prior week	597	516		
Top 10 importers' share of U.S. wheat export sales	73%	60%		65%
USDA forecast, July 2013	29,260	27,490	6	

(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/³FAS 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 08/01/13	Previous Week ¹	Current Week as % of Previous	2013 YTD ¹	2012 YTD ¹	2013 YTD as % of 2012 YTD	Last 4-weeks as % of		Total ¹ 2012
							2012	3-yr. avg.	
Pacific Northwest									
Wheat	131	190	69	6,597	7,697	86	100	85	12,625
Corn	0	10	1	1,321	4,713	28	6	4	5,512
Soybeans	0	0	n/a	3,696	5,350	69	0	0	10,347
Total	131	199	66	11,613	17,759	65	48	36	28,484
Mississippi Gulf									
Wheat	242	304	80	5,618	3,860	146	207	230	5,462
Corn	325	190	171	6,711	12,070	56	97	60	18,068
Soybeans	30	18	169	7,481	10,703	70	20	35	24,684
Total	597	511	117	19,809	26,633	74	85	79	48,215
Texas Gulf									
Wheat	229	171	134	5,249	3,843	137	153	123	5,912
Corn	22	0	n/a	148	295	50	n/a	40	336
Soybeans	0	0	n/a	122	5	n/a	n/a	0	626
Total	251	171	147	5,519	4,142	133	157	117	6,874
Interior									
Wheat	25	19	132	601	763	79	176	101	1,218
Corn	30	70	42	1,544	4,723	33	146	38	6,115
Soybeans	4	15	28	1,761	2,590	68	61	27	4,204
Total	58	104	56	3,906	8,077	48	102	41	11,538
Great Lakes									
Wheat	0	0	n/a	460	182	252	142	39	481
Corn	0	0	n/a	0	37	0	n/a	0	56
Soybeans	0	0	n/a	22	148	15	0	0	713
Total	0	0	n/a	482	368	131	44	27	1,250
Atlantic									
Wheat	41	11	364	469	235	200	645	369	341
Corn	0	0	n/a	2	101	2	0	0	143
Soybeans	2	1	n/a	696	584	119	18	23	1,460
Total	43	12	361	1,167	920	127	176	125	1,944
U.S. total from ports²									
Wheat	667	694	96	18,993	16,580	115	146	127	26,040
Corn	377	270	140	9,726	21,939	44	61	39	30,230
Soybeans	36	33	107	13,779	19,381	71	17	25	42,035
Total	1,080	997	108	42,498	57,899	73	76	65	98,305

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

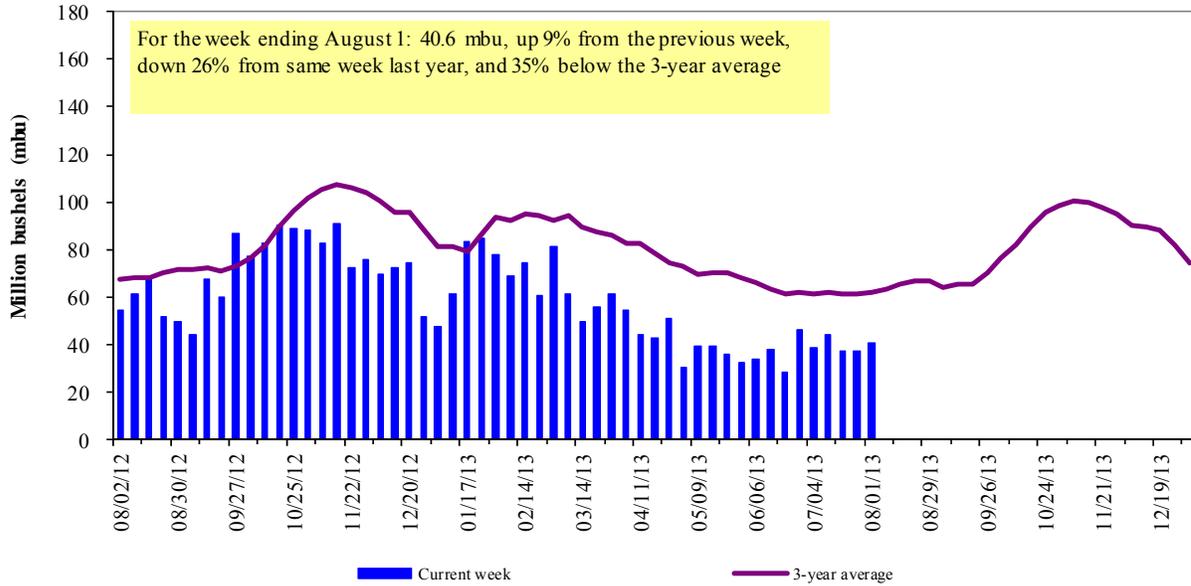
² Total includes only port regions shown above; Interior land-based shipments now included.

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

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 56 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2012.

Figure 14

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

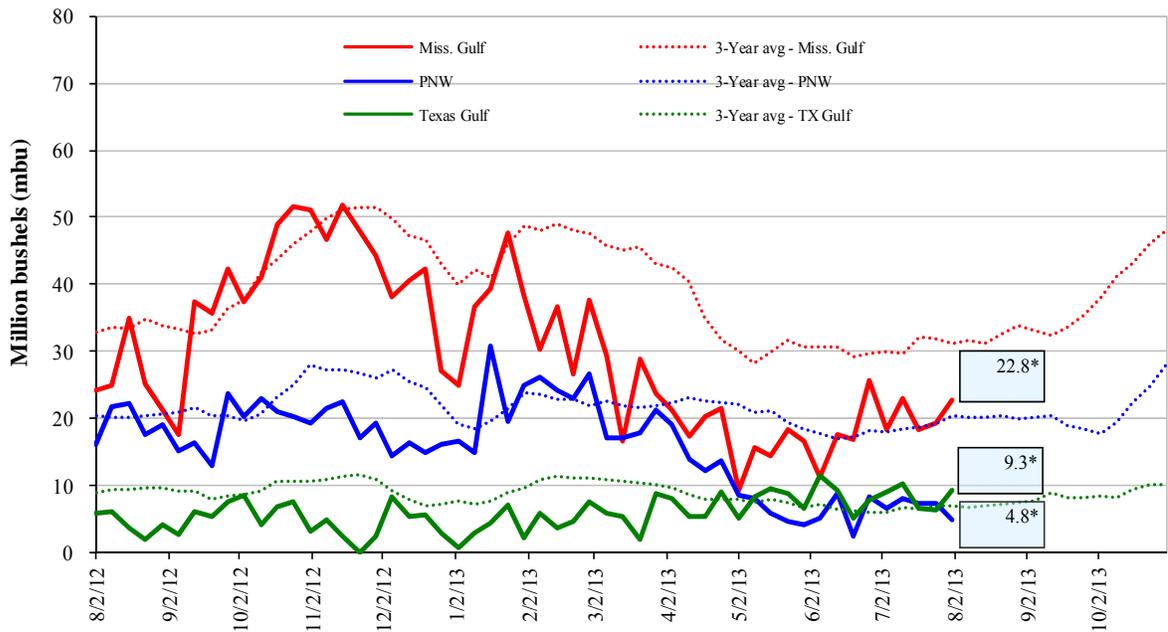


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

<u>Aug. 1 % change from:</u>	<u>MSGulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	up 18	up 48	up 25	down 34
Last year (same week)	down 6	up 59	up 6	down 70
3-yr avg (4-wk mov. avg)	down 14	up 33	down 5	down 77

Ocean Transportation

Table 17

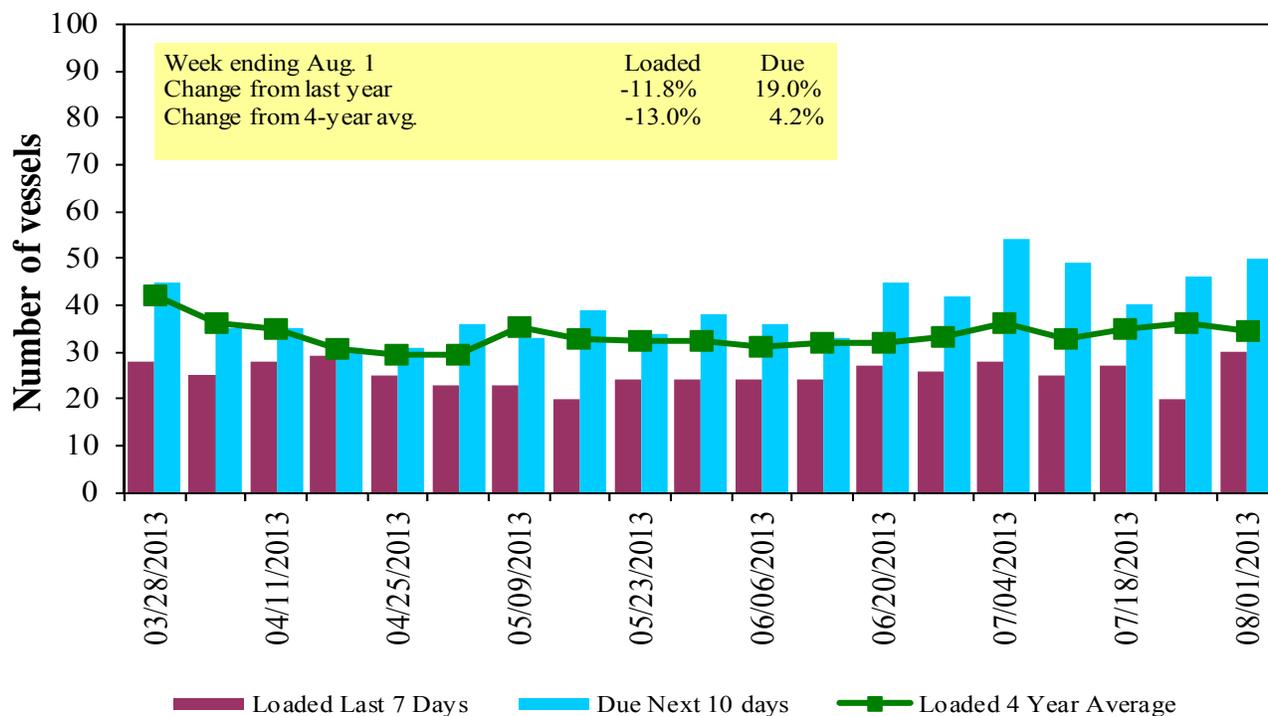
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
8/1/2013	22	30	50	3	n/a
7/25/2013	29	20	46	5	n/a
2012 range	(13..50)	(13..46)	(27..78)	(4..20)	n/a
2012 avg.	28	33	46	11	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity

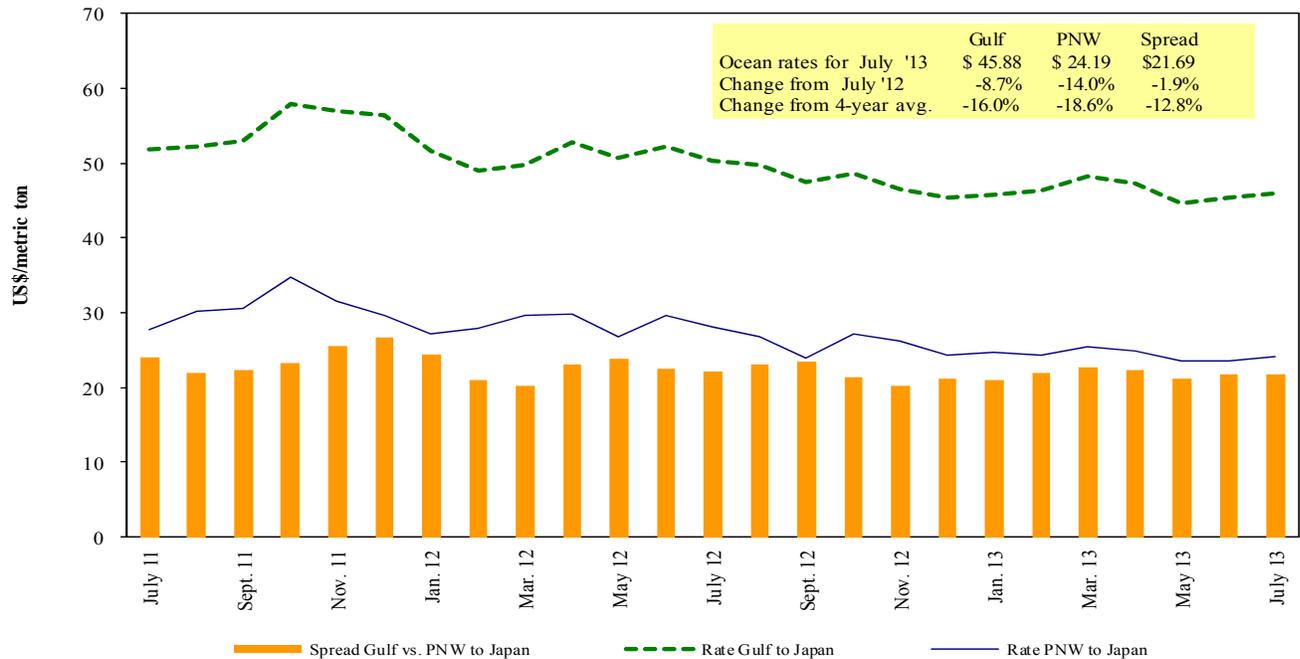


Source: Transportation & Marketing Programs/AMS/USDA

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 08/03/2013

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Jul 10/20	55,000	42.00
U.S. Gulf	China	Heavy Grain	Oct 1/Dec 31	55,000	33.00
U.S. Gulf	China	Heavy Grain	Jun 1/3	55,000	41.00
PNW	Italy	Heavy Grain	Jul 31/Aug 3	70,000	30.50
PNW	Bangladesh ¹	Wheat	Jun 10/20	4,610	98.00
Brazil	China	Heavy Grain	Aug 20/30	60,000	34.25
Brazil	China	Heavy Grain	Aug 1/15	60,000	34.75
Brazil	China	Heavy Grain	Jul 20/30	60,000	34.50
Brazil	China	Heavy Grain	Jul 1/10	60,000	34.00
Brazil	China	Heavy Grain	Jun 25/Jul 5	60,000	32.50
Brazil	China	Heavy Grain	June 25/30	60,000	32.50
Brazil	China	Heavy Grain	Jul 1/30	65,000	36.00
Brazil	China	Heavy Grain	Jun 20/30	60,000	37.00
Brazil	Portugal	Corn	Jul 12/29	60,000	21.50
France	Saudi Arabia	Barley	Aug 1/5	64,000	29.50
River Plate	China	Heavy Grain	Aug 1/10	60,000	39.50
River Plate	Egypt	Heavy Grain	Jul 1/10	50,000	33.00
Ukraine	Kenya	Wheat	July 19/24	35,000	36.50
Ukraine	Iran	Wheat	Jun 10/18	60,000	32.50

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

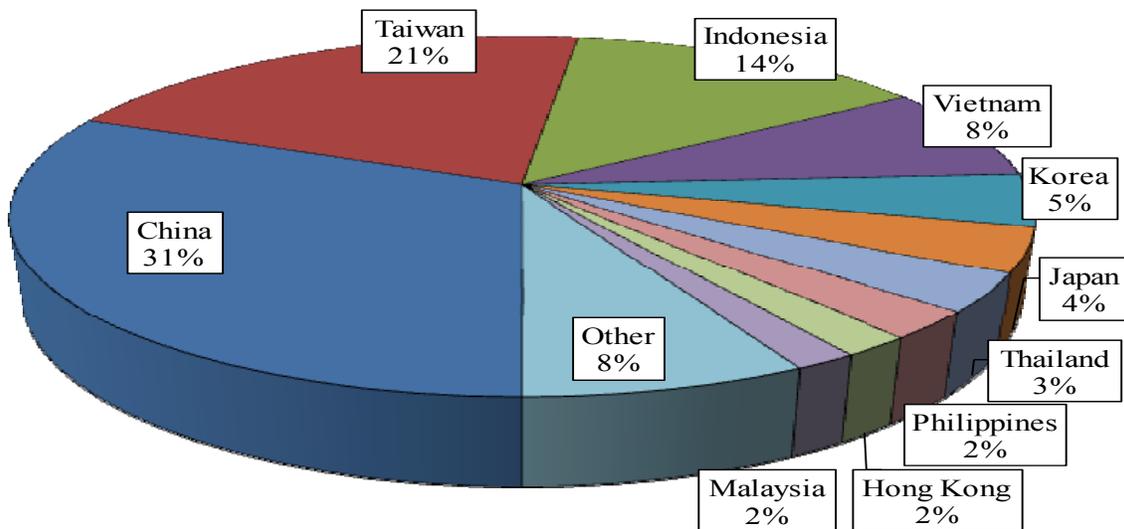
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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, April 2013

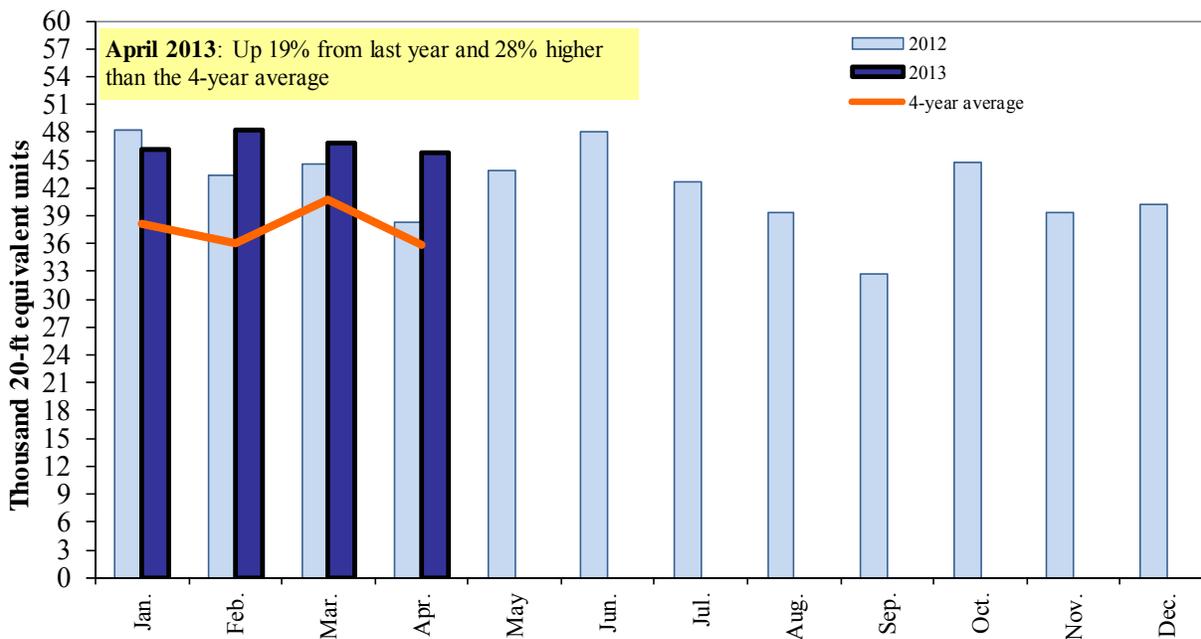


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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