



United States
Department of
Agriculture

Agricultural
Marketing
Service

September 20, 2012

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Grain Truck/Ocean
Rate Advisory

Data Links

Specialists

Subscription
Information

The next
release is
September 27, 2012



Grain Transportation Report

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

Contact Us

WEEKLY HIGHLIGHTS

Early Corn Harvest in Top States

As of September 16, the top three corn producing States—Iowa, Illinois, and Nebraska—are each 20–23 percentage points above their average harvest pace, and Missouri is 42 points above its average harvest pace. The top 18 corn-producing States are 26 percent harvested—17 points ahead of the average pace. The early harvest has caused substantial rate increases in the rail secondary shuttle market. Barge rate increases have probably been a result of drought-induced low water conditions.

Large Rally for Secondary Shuttle Market

During the week ending September 13, the last week of September bidding, **September railcar bids per rail car for shuttle service** rallied in the secondary market at \$500 above tariff, \$687.50 more than last week. An increase of this magnitude has only been matched during the record high grain exports in August 2007, when bids increased \$841.50 in one week. This unusually high jump indicates an unexpected increase in demand for grain transportation for the remainder of September. The sudden increase could be related to the early and large corn harvest and a possible surge in farmer selling as futures prices, which typically decline during harvest, are also providing little to no incentive to put the grain into storage. (The December corn contract is trading at a narrow 4 cent discount to March and is almost 5 cents above the end-of-the-marketing year July contract.)

Barge Rates Increase As Low Water Remains A Concern

The U.S. Army Corps of Engineers has identified 15 critical river gages to monitor, 6 of which are at “Action Stage.” Limited rainfall has affected much of the river system, and below-average rainfall is expected for the remainder of September. Action Stage directs various agencies to implement dredging, increase reservoir releases, and establish draft/tow restrictions. The six action stage areas are Memphis, TN, Greenville, MS, Vicksburg, MS, Cairo, IL, St. Louis, MO, and Herman, MO. The lower Mississippi River continues to be the most active barge grain market, where freight rates rose to a yearly high of 750 percent of tariff on September 18, probably as a result of the drought-induced low-water conditions.

Weekly Grain Inspections Rebound

For the week ending September 13, **total inspections** of grain for export at major U.S. ports reached 1.78 million metric tons (mmt), up 52 percent from the previous week and 44 percent above this time last year. The previous week’s inspections were down due to disruptions caused by Hurricane Isaac, and inspections have since rebounded. Mississippi Gulf corn and wheat inspections increased significantly from the past week (Table 16). Although USDA indicated no corn and soybean inspections in the Pacific Northwest, wheat inspections in the region increased 26 percent from the previous week. Outstanding export sales of soybeans got off to a good start for the new marketing year, increasing 43 percent from this time last year.

Snapshots by Sector

Rail

U.S. railroads originated 15,297 **carloads of grain** during the week ending September 8, down 12 percent from last week, 12 percent from last year, and 26 percent lower than the 3-year average.

Ocean

During the week ending September 13, 30 **ocean-going grain vessels** were loaded in the Gulf, down 12 percent from the same period last year. Fifty-five vessels are expected to be loaded within the next 10 days, 17 percent more than the same period last year.

During the week ending September 14, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$48 per mt, unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$24 per mt, unchanged from the previous week.

Barge

During the week ending September 15, **barge grain movements** totaled 240,188 tons, 47 percent higher than the previous week but 24 percent lower than the same period last year.

During the week ending September 15, 148 grain barges **moved down river**, up 37 percent from last week; 603 grain barges were **unloaded in New Orleans**, up 28.6 percent from the previous week.

Fuel

During the week ending September 17, U.S. average diesel fuel prices increased less than 1 cent to \$4.14 per gallon—30 cents higher than the same week last year.

Feature Article/Calendar

Grain Transportation Costs to Mexico Mixed

The transportation costs for moving grain to Mexico via the water route declined during the second quarter and the costs of transporting by land increased (see table). Total transportation costs by water to the port of Veracruz decreased 1 percent for corn and soybeans from Illinois but increased 4 percent for wheat from Kansas. Total transportation costs by land to Guadalajara increased 2 percent for Iowa corn and Nebraska soybeans and increased 1 percent for Kansas wheat, compared to the previous quarter. The reduction in seaborne transportation costs of corn and soybeans was mainly due to a decrease in barge rates that offset increases in truck and ocean rates. However, the decrease in barge rates was not enough to offset increases in truck and ocean rates for shipping wheat from Kansas to Veracruz. Transportation costs for the land route were pushed up mainly by an increase in truck rates. Although ocean and rail tariff rates have remained relatively stable, truck rates have increased significantly for most locations, probably caused by increased demand for trucking services during the quarter.

Quarterly costs of transporting U.S. grain to Mexico										
	Water route (to Veracruz)					Land route (to Guadalajara)				
	\$/metric ton					\$/metric ton				
	2011 2 nd qtr.	2012 1 st qtr.	2012 2 nd qtr.	Percent change Yr. to Yr.	Qtr. to Qtr.	2011 2 nd qtr.	2012 1 st qtr.	2012 2 nd qtr.	Percent change Yr. to Yr.	Qtr. to Qtr.
Corn										
Origin	IL					IA				
Truck	11.34	9.14	11.66	2.8	27.6	3.88	3.58	5.34	37.6	49.2
Rail ¹						83.21	87.78	88.01	5.8	0.3
Ocean ²	18.86	18.37	18.62	-1.3	1.4					
Barge	22.52	19.38	16.11	-28.5	-16.9					
Total transportation cost	52.72	46.89	46.39	-12.0	-1.1	87.09	91.36	93.35	7.2	2.2
Farm Value	261.01	248.81	252.35	-3.3	1.4	245.66	241.98	247.89	0.9	2.4
Landed Cost	313.73	295.70	298.74	-4.8	1.0	332.75	333.34	341.24	2.6	2.4
Transport % of landed cost	17	16	16			26	27	27		
Soybeans										
Origin	IL					NE				
Truck	11.34	9.14	11.66	2.8	27.6	3.88	3.58	5.34	37.6	49.2
Rail ¹						84.31	89.88	89.89	6.6	0.0
Ocean ²	18.86	18.37	18.62	-1.3	1.4					
Barge	22.52	19.38	16.11	-28.5	-16.9					
Total transportation cost	52.72	46.89	46.39	-12.0	-1.1	88.19	93.46	95.23	8.0	1.9
Farm Value	493.59	460.52	519.31	5.2	12.8	477.67	440.92	502.16	5.1	13.9
Landed Cost	546.31	507.41	565.70	3.5	11.5	565.86	534.38	597.39	5.6	11.8
Transport % of landed cost	10	9	8			16	17	16		
Wheat										
Origin	KS					KS				
Truck*	33.78	18.44	22.24	-34.2	20.6	3.88	3.58	5.34	37.6	49.2
Rail ¹						78.32	84.71	84.20	7.5	-0.6
Ocean ²	18.86	18.37	18.62	-1.3	1.4					
Barge	14.57	12.53	10.38	-28.8	-17.2					
Total transportation cost	67.21	49.34	51.24	-23.8	3.9	82.20	88.29	89.54	8.9	1.4
Farm Value	288.68	249.61	234.91	-18.6	-5.9	288.68	249.61	234.91	-18.6	-5.9
Landed Cost	387.57	298.95	286.15	-26.2	-4.3	370.88	337.90	324.45	-12.5	-4.0
Transport % of landed cost	17	17	18			22	26	28		

¹Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are estimated based on actual quoted market rates. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains.

Rail rates include fuel surcharges. Origins are modified from past tables. Rail rates for water route were revised from previous estimates

²Source: O'Neil Commodity Consulting

*Truck rates for land route were revised from the previous estimates

Year-to-year costs of moving corn, soybeans, and wheat across the sea to Veracruz were also significantly lower—12, 12, and 24 percent, respectively. Year-to-year transportation costs were reduced by decreases in ocean and barge rates for all commodities, with an additional reduction in truck rates for wheat. However, year-to-year costs of transportation by land were higher for corn, soybeans, and wheat. Farm prices for corn and soybeans increased from the previous quarter and wheat prices fell. Yearly comparison of the farm prices is mixed. While Illinois corn and Kansas wheat prices fell compared to a year ago, Iowa corn and Illinois and Nebraska soybean prices increased

from the previous year. Quarterly landed costs increased for corn and soybeans. Landed costs ranged from \$286.15–\$565.70 per mt for the water route (figure 1) and from \$324.45–\$597.39 per mt for the land route (figure 2). The transportation share of landed costs for the water route ranged from 8–18 percent and 16–28 percent for the land route.

Market Outlook: According to USDA’s Foreign Agricultural Service, the Mexican corn production estimate for marketing year (MY) 2011/12 (October/September) was revised down to 18.1 million metric tons (mmt) due to the irreversible yield losses caused by drought conditions during the critical phases of the corn crop ([USDA, FAS GAIN Report #: MX2054](#)). However, the forecast production for MY 2012/13 is more positive at 21.5 mmt due to higher planted area and favorable growing conditions caused by on-time rainy season in some important corn-producing areas. MY 2012/13 Mexican corn imports are estimated at 8.7 mmt, compared to 11.5 mmt for 2011/12. The MY 2012/13 (July/June) forecasts for wheat harvested area and production have been revised down due to lower planted area and adverse weather conditions. Production for this crop cycle is estimated not to be more than 3 mmt, and imports are estimated at 4.2 mmt.

During January-June, Mexico imported a little over 6 mmt of corn from the United States, with about half of the import, valued at \$870 million, made during the second quarter. Second quarter imports were 16 percent above the same period last year, and their value was 7 percent more. Likewise, 2.1 mmt of wheat were imported during January-June, with close to half imported during the second quarter with a total value of \$661.3 million. Compared to the same period last year, the second quarter quantity imported was 44 percent higher, and the value was 24 percent more. During January-

June, soybeans imported from the United States amounted to 1.7 mmt. Over half of that amount was imported during the second quarter with a value of \$598 million. Third quarter imports were up 8 percent by quantity and 11 percent by value. Low or moderate transportation costs are essential for keeping U.S. grains competitive to Mexican buyers. For more on Mexico agricultural transportation, see [Mexico Transport Cost Indicator Report](#). surajudeen.olowolayemo@ams.usda.gov

Figure 1. Water route shipment costs to Veracruz, Mexico

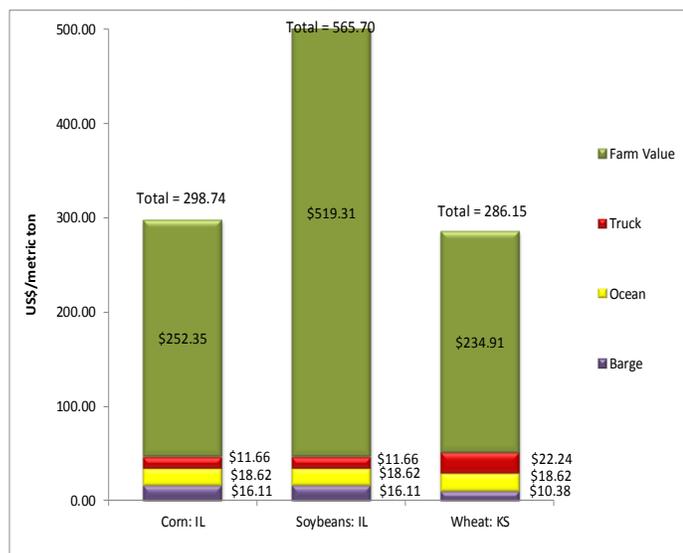


Figure 2. Land route shipment costs to Guadalajara, Mexico



Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
09/19/12	278	225	221	347	215	170
09/12/12	277	227	192	306	215	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)

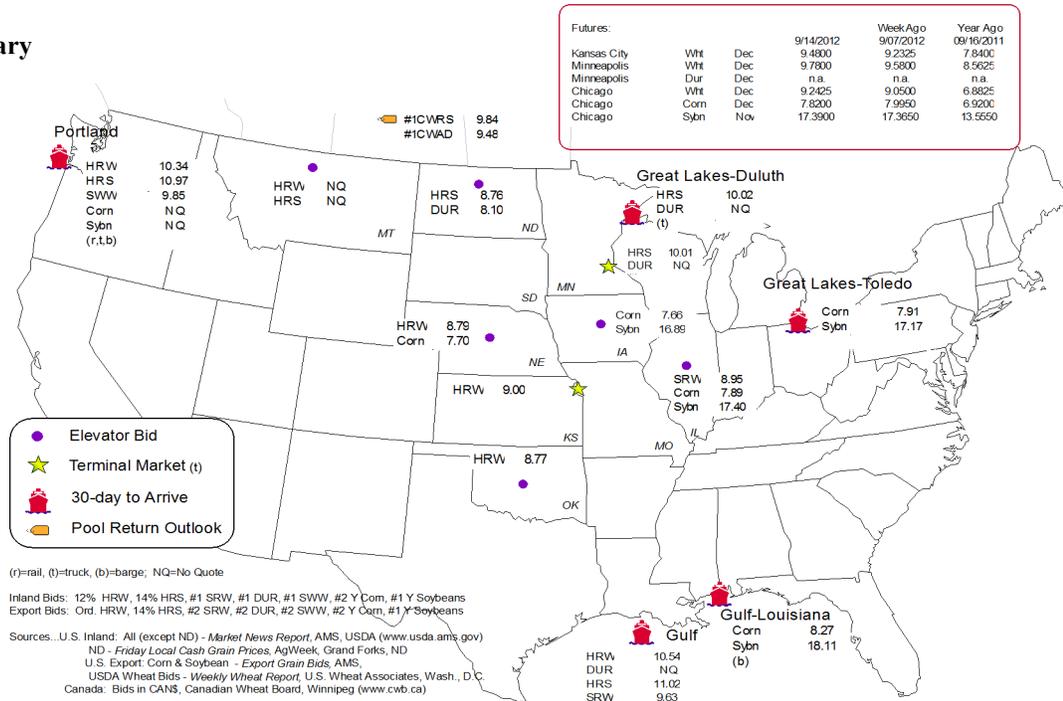
Commodity	Origin--Destination	9/14/2012	9/7/2012
Corn	IL--Gulf	-0.38	-0.18
Corn	NE--Gulf	-0.57	-0.33
Soybean	IA--Gulf	-1.22	-1.11
HRW	KS--Gulf	-1.54	-1.39
HRS	ND--Portland	-2.21	-2.00

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		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
9/12/2012 ^p	50	1,330	817	2,380	157	4,734
9/05/2012 ^r	74	796	277	2,603	75	3,825
2012 YTD ^r	7,018	28,259	38,422	143,281	11,819	228,799
2011 YTD ^r	22,193	66,085	33,958	132,979	16,948	272,163
2012 YTD as % of 2011 YTD	32	43	113	108	70	84
Last 4 weeks as % of 2011 ²	222	92	70	118	321	108
Last 4 weeks as % of 4-year avg. ²	36	59	87	107	64	84
Total 2011	27,358	77,515	48,782	191,092	24,088	368,835
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933

¹ Data is incomplete as it is voluntarily provided

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

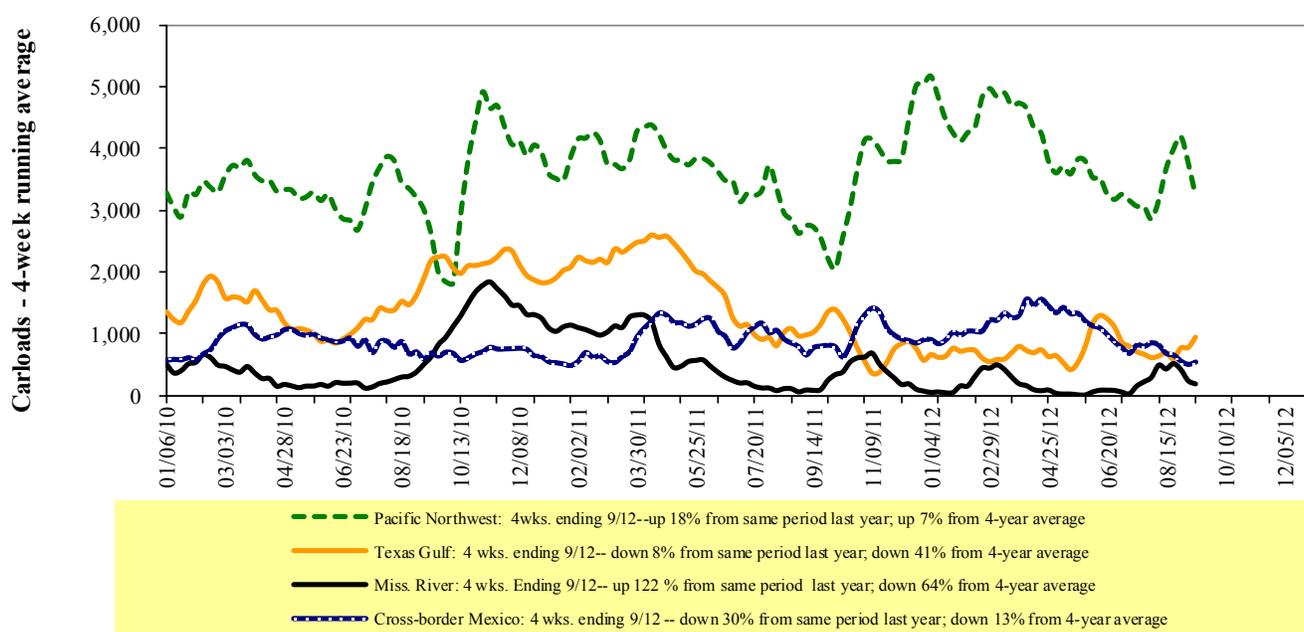
YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available

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

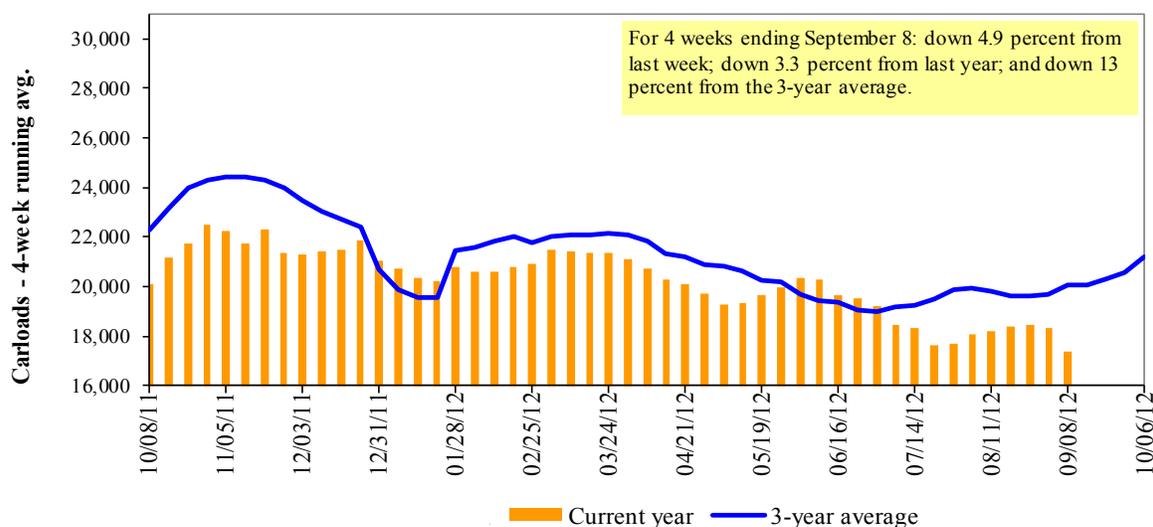
Table 4

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
09/08/12	480	2,079	8,564	773	3,401	15,297	3,003	5,095
This week last year	617	1,777	9,432	594	4,866	17,286	3,112	4,322
2012 YTD	60,763	100,333	346,567	18,481	179,484	705,628	137,328	170,594
2011 YTD	65,591	104,585	379,503	24,098	210,196	783,973	136,877	183,296
2012 YTD as % of 2011 YTD	93	96	91	77	85	90	100	93
Last 4 weeks as % of 2011 ¹	88	115	104	93	77	97	108	93
Last 4 weeks as % of 3-yr avg. ¹	70	105	94	101	70	87	106	95
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

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							
	Sep-12	Sep-11	Oct-12	Oct-11	Nov-12	Nov-11	Dec-12	Dec-11
BNSF ³								
COT grain units	no offer	no offer	0	no offer	0	no offer	0	no offer
COT grain single-car ⁵	no offer	no offer	0 .. 26	no offer	0	50 .. 61	0	25 .. 41
UP ⁴								
GCAS/Region 1	no offer	no bids	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no offer	no bids	54	16	no bids	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.

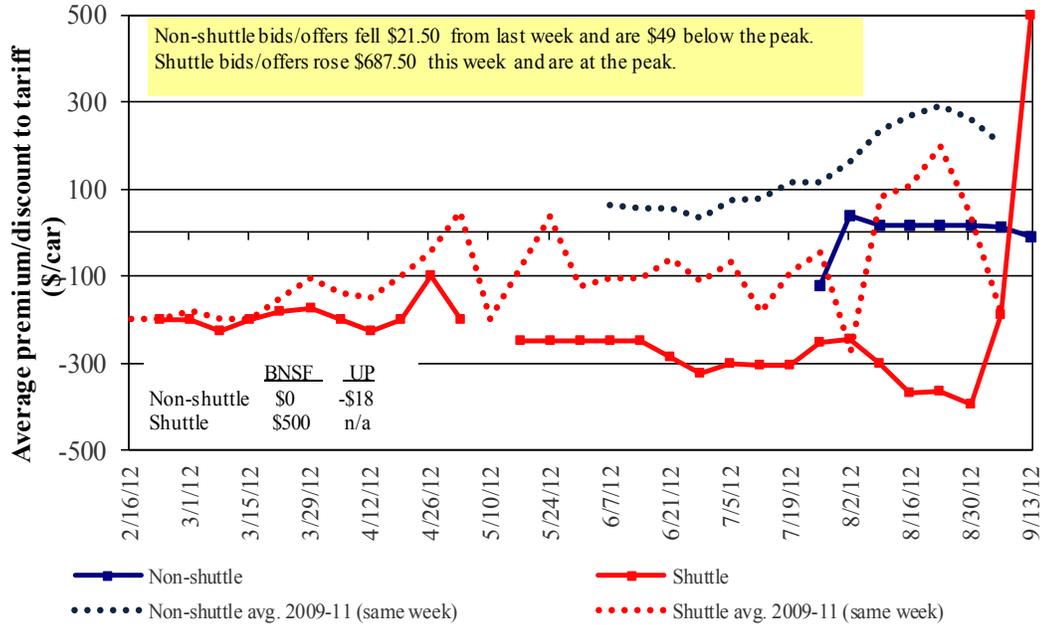
⁵Range is shown because average is not available. Not available = n/a.

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 September 2012, Secondary Market

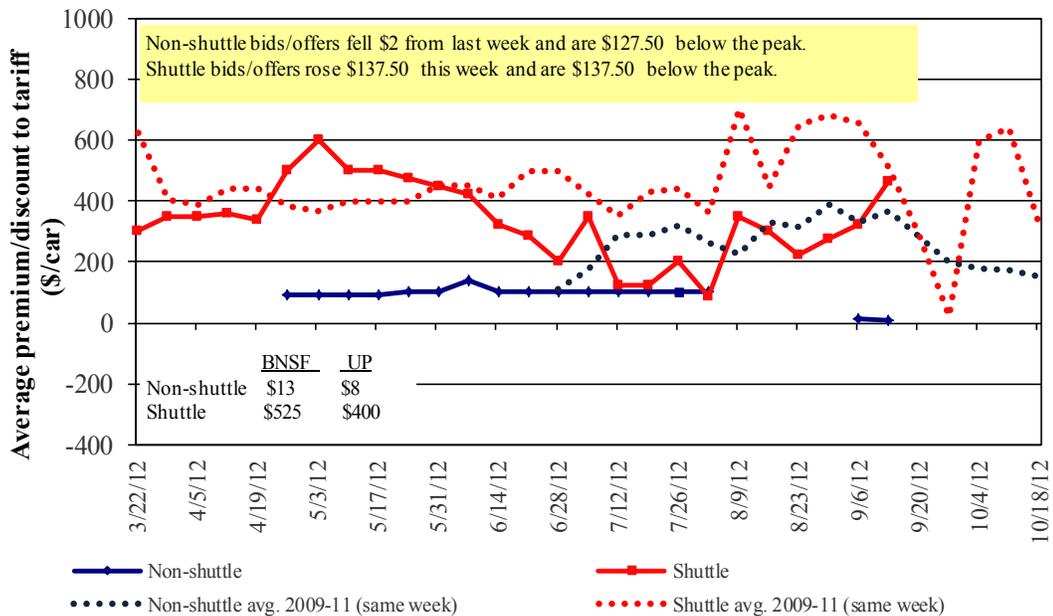


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

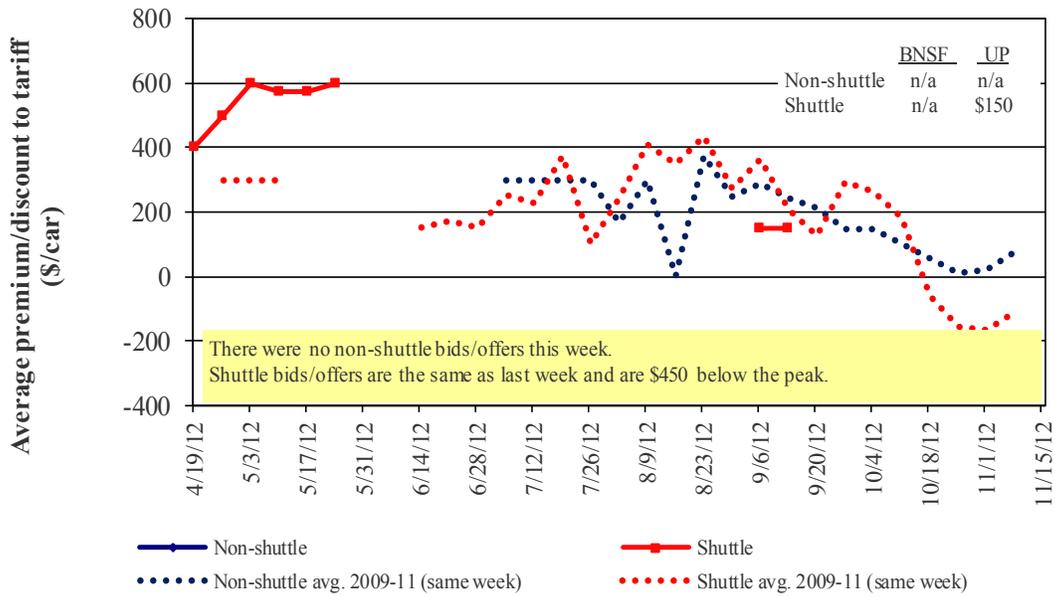


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

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



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market (\$/car)¹

Week ending	Delivery period					
	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13
Non-shuttle						
BNSF-GF	-	13	n/a	n/a	n/a	n/a
Change from last week	-	(12)	n/a	n/a	n/a	n/a
Change from same week 2011	n/a	(87)	n/a	n/a	n/a	n/a
UP-Pool	(18)	8	n/a	n/a	n/a	n/a
Change from last week	(43)	8	n/a	n/a	n/a	n/a
Change from same week 2011	n/a	(142)	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	500	525	n/a	(138)	n/a	n/a
Change from last week	500	225	n/a	n/a	n/a	n/a
Change from same week 2011	n/a	525	n/a	n/a	n/a	n/a
UP-Pool	n/a	400	150	50	n/a	n/a
Change from last week	n/a	50	-	-	n/a	n/a
Change from same week 2011	n/a	50	(50)	200	n/a	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 Atwood/ConAgra, Harvest States Co-op, 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
9/1/2012	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,144	\$167	\$32.88	\$0.89	4
	Grand Forks, ND	Duluth-Superior, MN	\$3,537	\$92	\$36.04	\$0.98	13
	Wichita, KS	Los Angeles, CA	\$6,026	\$474	\$64.55	\$1.76	4
	Wichita, KS	New Orleans, LA	\$3,645	\$294	\$39.11	\$1.06	3
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$389	\$59.21	\$1.61	2
	Northwest KS	Galveston-Houston, TX	\$3,912	\$322	\$42.04	\$1.14	3
	Amarillo, TX	Los Angeles, CA	\$4,112	\$448	\$45.28	\$1.23	2
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,038	\$332	\$33.47	\$0.91	6
	Toledo, OH	Raleigh, NC	\$4,382	\$381	\$47.30	\$1.29	14
	Des Moines, IA	Davenport, IA	\$1,934	\$70	\$19.90	\$0.54	4
	Indianapolis, IN	Atlanta, GA	\$3,821	\$286	\$40.78	\$1.11	17
	Indianapolis, IN	Knoxville, TN	\$3,273	\$183	\$34.32	\$0.93	17
	Des Moines, IA	Little Rock, AR	\$3,074	\$207	\$32.58	\$0.89	4
	Des Moines, IA	Los Angeles, CA	\$4,985	\$602	\$55.48	\$1.51	1
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,179	\$357	\$35.12	\$0.96	-4
	Toledo, OH	Huntsville, AL	\$3,497	\$271	\$37.41	\$1.02	17
	Indianapolis, IN	Raleigh, NC	\$4,453	\$384	\$48.03	\$1.31	14
	Indianapolis, IN	Huntsville, AL	\$3,189	\$183	\$33.49	\$0.91	20
	Champaign-Urbana, IL	New Orleans, LA	\$3,382	\$332	\$36.88	\$1.00	-2
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,481	\$273	\$37.28	\$1.01	6
	Wichita, KS	Galveston-Houston, TX	\$3,634	\$212	\$38.20	\$1.04	13
	Chicago, IL	Albany, NY	\$3,645	\$357	\$39.74	\$1.08	3
	Grand Forks, ND	Portland, OR	\$4,963	\$471	\$53.96	\$1.47	4
	Grand Forks, ND	Galveston-Houston, TX	\$5,984	\$491	\$64.30	\$1.75	3
	Northwest KS	Portland, OR	\$4,880	\$528	\$53.70	\$1.46	2
	Corn	Minneapolis, MN	Portland, OR	\$4,800	\$574	\$53.36	\$1.45
Sioux Falls, SD		Tacoma, WA	\$4,760	\$525	\$52.49	\$1.43	1
Champaign-Urbana, IL		New Orleans, LA	\$2,857	\$332	\$31.67	\$0.86	5
Lincoln, NE		Galveston-Houston, TX	\$3,310	\$306	\$35.91	\$0.98	2
Des Moines, IA		Amarillo, TX	\$3,430	\$260	\$36.64	\$1.00	2
Minneapolis, MN		Tacoma, WA	\$4,800	\$569	\$53.32	\$1.45	1
Council Bluffs, IA		Stockton, CA	\$4,200	\$589	\$47.55	\$1.29	1
Soybeans	Sioux Falls, SD	Tacoma, WA	\$5,040	\$525	\$55.27	\$1.50	2
	Minneapolis, MN	Portland, OR	\$5,030	\$574	\$55.65	\$1.51	2
	Fargo, ND	Tacoma, WA	\$4,930	\$467	\$53.60	\$1.46	2
	Council Bluffs, IA	New Orleans, LA	\$3,420	\$383	\$37.76	\$1.03	-8
	Toledo, OH	Huntsville, AL	\$2,672	\$271	\$29.22	\$0.80	4
	Grand Island, NE	Portland, OR	\$4,720	\$540	\$52.24	\$1.42	3

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: 9/1/2012

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	\$7,741	\$498	\$84.19	\$2.29	2
	OK	Cautitlan, EM	\$6,837	\$605	\$76.04	\$2.07	3
	KS	Guadalajara, JA	\$7,444	\$585	\$82.04	\$2.23	-1
	TX	Salinas Victoria, NL	\$3,725	\$228	\$40.39	\$1.10	1
Corn	IA	Guadalajara, JA	\$7,699	\$688	\$85.69	\$2.17	1
	SD	Penjamo, GJ	\$7,776	\$652	\$86.12	\$2.19	5
	NE	Queretaro, QA	\$7,097	\$611	\$78.75	\$2.00	2
	SD	Salinas Victoria, NL	\$6,522	\$496	\$71.70	\$1.82	18
	MO	Tlalhepantla, EM	\$6,538	\$594	\$72.87	\$1.85	6
	SD	Torreon, CU	\$6,522	\$546	\$72.22	\$1.83	3
Soybeans	MO	Bojay (Tula), HG	\$7,350	\$580	\$81.03	\$2.20	6
	NE	Guadalajara, JA	\$7,904	\$664	\$87.54	\$2.38	2
	IA	El Castillo, JA ⁵	\$8,255	\$648	\$90.97	\$2.47	4
	KS	Torreon, CU	\$6,421	\$412	\$69.81	\$1.90	3
Sorghum	OK	Cautitlan, EM	\$5,730	\$495	\$63.61	\$1.61	5
	TX	Guadalajara, JA	\$6,653	\$424	\$72.31	\$1.84	4
	NE	Penjamo, GJ	\$7,426	\$592	\$81.93	\$2.08	4
	KS	Queretaro, QA	\$6,460	\$372	\$69.80	\$1.77	4
	NE	Salinas Victoria, NL	\$5,153	\$436	\$57.10	\$1.45	5
	NE	Torreon, CU	\$6,068	\$486	\$66.97	\$1.70	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

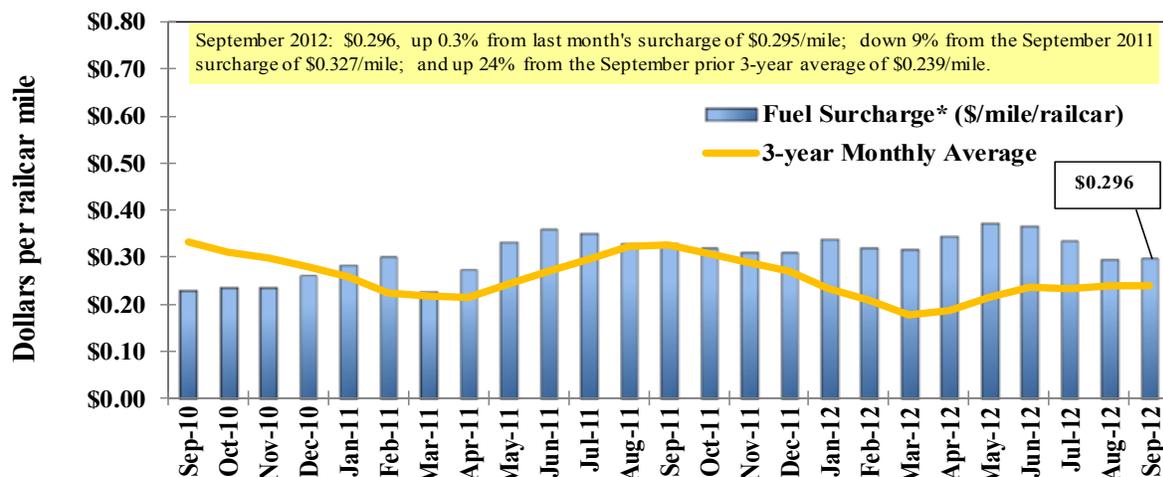
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵Beginning 12/6/10, El Castillo, JA replaced Penjamo, GJ as the destination

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

Figure 7

Railroad Fuel Surcharges, North American Weighted 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.

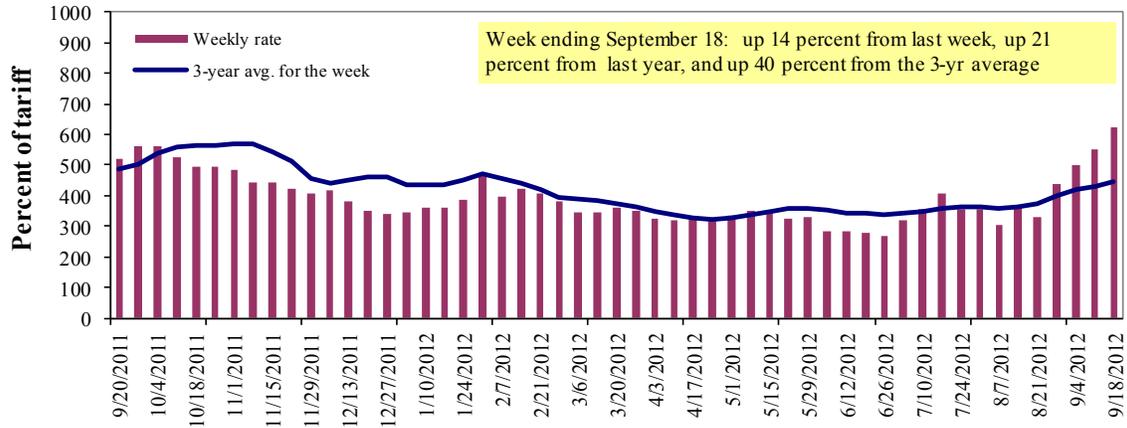
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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	9/18/2012	600	595	625	613	625	625	750
	9/11/2012	538	545	550	600	588	588	700
\$/ton	9/18/2012	37.14	31.65	29.00	24.46	29.31	25.25	23.55
	9/11/2012	33.30	28.99	25.52	23.94	27.58	23.76	21.98
Current week % change from the same week:								
	Last year	16	15	21	51	27	27	90
	3-year avg. ²	30	31	40	51	31	31	92
Rate¹	October	658	620	633	625	638	638	613
	December	-	-	418	350	395	395	313

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; - closed for winter

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates

Calculating barge rate per ton:

$(\text{Index} * 1976 \text{ tariff benchmark rate per ton}) / 100$

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).

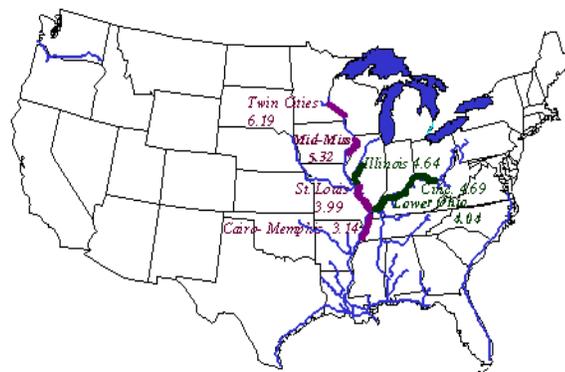
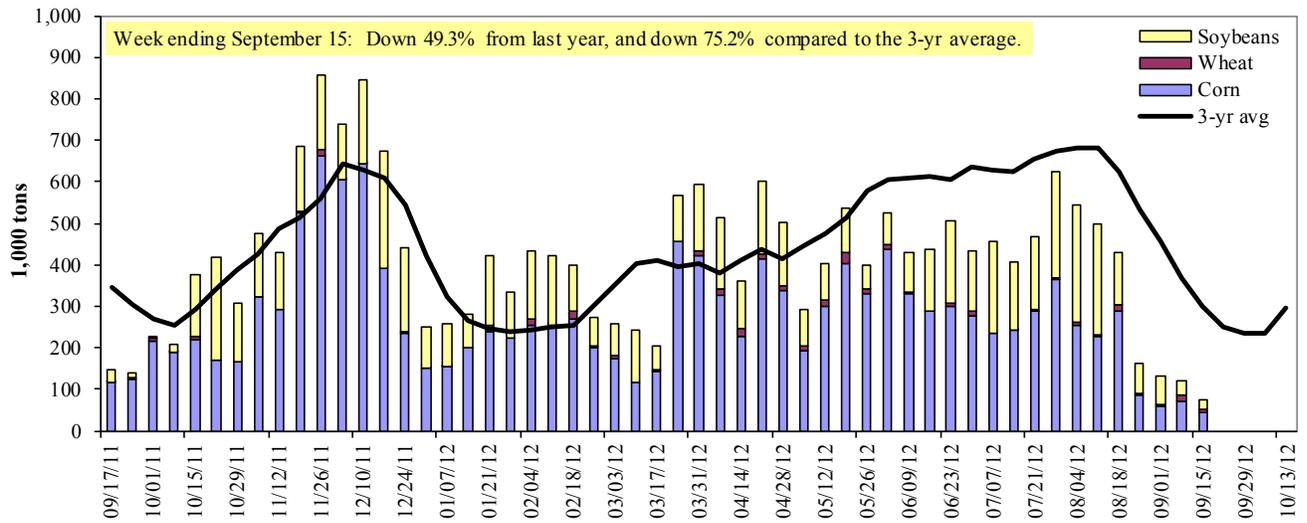


Figure 10

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 (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 9/15/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	2	2	5	0	8
Winfield, MO (L25)	20	8	8	0	36
Alton, IL (L26)	46	8	22	0	76
Granite City, IL (L27)	44	8	22	0	74
Illinois River (L8)	14	0	13	0	27
Ohio River (L52)	38	9	12	2	61
Arkansas River (L1)	25	14	67	0	106
Weekly total - 2012	107	30	101	2	240
Weekly total - 2011	204	33	77	1	315
2012 YTD ¹	11,951	1,450	7,310	195	20,906
2011 YTD	13,655	1,183	4,901	287	20,026
2012 as % of 2011 YTD	88	123	149	68	104
Last 4 weeks as % of 2011 ²	46	38	128	12	64
Total 2011	19,921	1,460	8,553	422	30,356

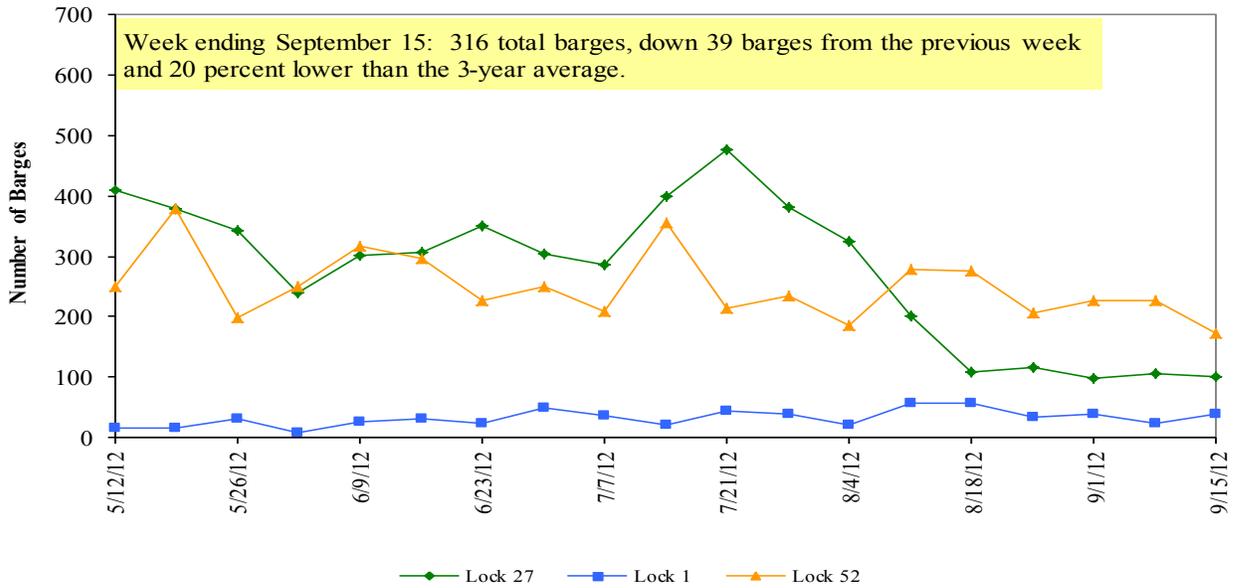
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

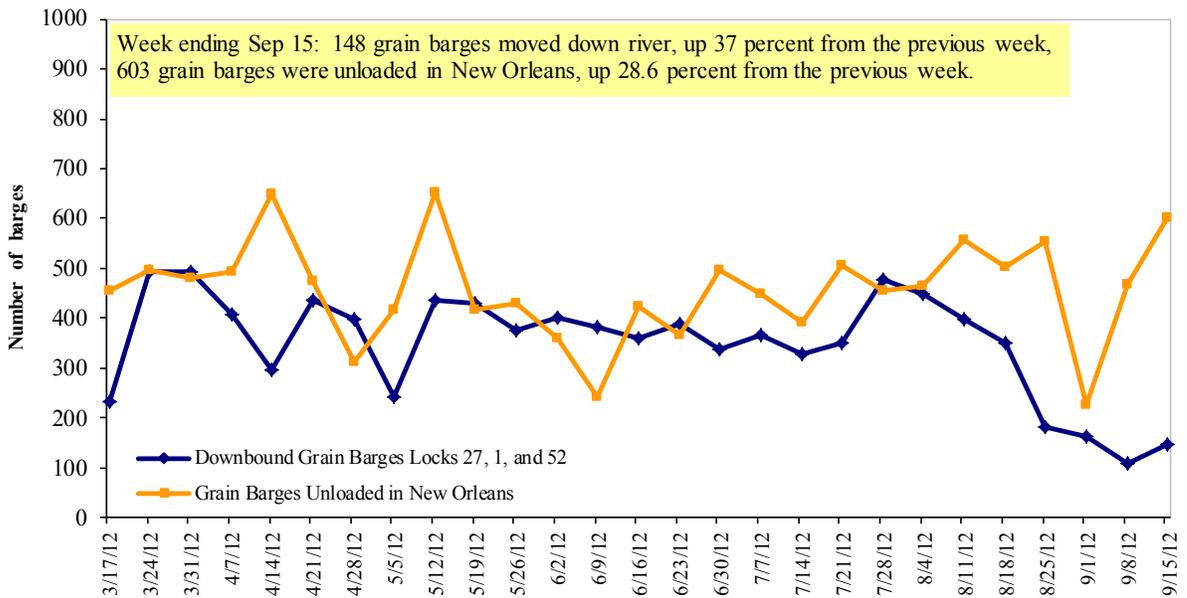
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

Figure 11
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 9/17/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.125	0.012	0.272
	New England	4.215	0.007	0.232
	Central Atlantic	4.196	0.021	0.228
	Lower Atlantic	4.056	0.007	0.264
II	Midwest ²	4.080	0.001	0.281
III	Gulf Coast ³	4.028	0.007	0.263
IV	Rocky Mountain	4.256	0.014	0.364
V	West Coast	4.399	-0.024	0.422
	West Coast less California	4.321	-0.037	-
	California	4.466	-0.011	0.404
Total	U.S.	4.135	0.003	0.302

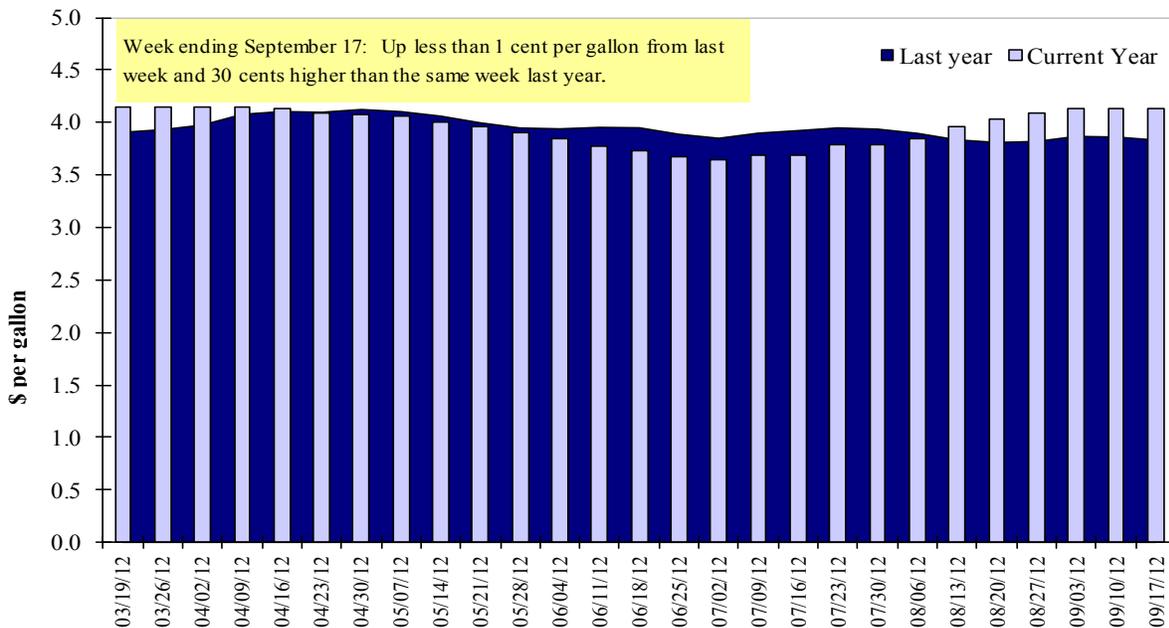
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
9/6/2012	1,477	731	1,400	835	105	4,547	9,783	20,385	34,715
This week year ago	1,743	671	1,454	1,023	81	4,972	13,171	14,284	32,427
Cumulative exports-marketing year²									
2012/13 YTD	3,083	1,041	1,708	1,339	142	7,313	249	339	7,901
2011/12 YTD	3,306	1,111	1,883	1,255	188	7,743	136	42	7,921
YTD 2012/13 as % of 2011/12	93	94	91	107	76	94	183	807	100
Last 4 wks as % of same period 2011/12	91	102	98	89	125	95	29	49	47
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 begins 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 09/06/12	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Current MY	2011/12 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,150	2,373	(9)	12,367
Mexico	2,415	2,479	(3)	9,617
China	1,035	541	91	5,414
Korea	351	589	(40)	3,639
Venezuela	104	43	145	1,332
Top 5 importers	6,055	6,024	1	32,369
Total US corn export sales	10,032	13,307	(25)	39,120
% of Projected	32%	34%		
Change from prior week*	1,882	3,616		
Top 5 importers' share of U.S. corn export sales	60%	45%		83%
USDA forecast, September 2012	31,750	39,120	(19)	
Corn Use for Ethanol USDA forecast, Ethanol September 2012	114,300	127,000	(10)	

(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)

* Includes Carryover Sales from the previous Marketing Year.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 09/06/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Next MY Current MY	2011/12 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	13,119	10,280	28	24,602
Mexico	657	408	61	3,180
Japan	411	510	(19)	1,891
Indonesia	155	404	(62)	1,741
Egypt	153	140	9	1,292
Top 5 importers	14,494	11,741	23	32,706
Total US soybean export sales	20,725	14,326	45	37,010
% of Projected	72%	39%		
Change from prior week*	2,645	2,727		
Top 5 importers' share of U.S. soybean export sales	70%	82%		
USDA forecast, September 2012	28,710	37,010	(22)	

(n) indicates negative number.

¹Based on FAS 2008/09 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)

*Includes Carryover Sales from the previous Marketing Year.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 09/06/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Current MY	2011/12 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	1,495	1,731	(14)	3,512
Mexico	1,653	1,556	6	3,496
Nigeria	1,429	1,384	3	3,248
Philippines	1,005	1,136	(12)	2,039
Korea	784	498	57	1,983
Egypt	131	247	(47)	950
Taiwan	496	307	61	888
Indonesia	344	374	(8)	830
Venezuela	362	239	51	594
Iraq	209	567	(63)	572
Top 10 importers	7,907	8,039	(2)	18,111
Total US wheat export sales	11,859	12,715	(7)	28,560
% of Projected	36%	45%		
Change from prior week	382	0		
Top 10 importers' share of U.S. wheat export sales	67%	63%		63%
USDA forecast, September 2012	32,660	28,560	14	

(n) indicates negative number.

¹ Modified from the FAS 2011/12 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 09/13/12	Previous Week ¹	Current Week as % of Previous	2012 YTD ¹	2011 YTD ¹	2012 YTD as % of 2011 YTD	Last 4-weeks as % of		Total ¹ 2011
							2011	3-yr. avg.	
Pacific Northwest									
Wheat	448	357	126	10,099	10,583	95	126	145	13,995
Corn	0	41	0	4,951	6,918	72	12	5	9,198
Soybeans	0	13	2	5,689	3,787	150	57	71	7,321
Total	449	410	109	20,739	21,287	97	96	86	30,513
Mississippi Gulf									
Wheat	97	17	569	4,298	4,021	107	82	73	5,031
Corn	632	153	414	14,015	18,556	76	73	54	26,267
Soybeans	242	300	81	12,569	10,877	116	215	156	19,262
Total	972	469	207	30,882	33,454	92	105	79	50,560
Texas Gulf									
Wheat	167	76	219	4,486	9,152	49	54	51	10,837
Corn	0	0	n/a	329	810	41	n/a	2	1,021
Soybeans	0	0	n/a	5	763	1	n/a	0	926
Total	167	76	220	4,819	10,725	45	55	43	12,784
Interior									
Wheat	39	33	117	856	812	105	424	106	1,110
Corn	66	62	107	5,161	5,144	100	97	61	7,509
Soybeans	27	39	70	2,893	2,753	105	63	104	4,273
Total	132	134	98	8,910	8,709	102	71	76	12,892
Great Lakes									
Wheat	26	47	56	266	787	34	61	27	1,038
Corn	0	0	n/a	56	134	42	40	27	178
Soybeans	0	0	n/a	149	22	667	n/a	0	382
Total	26	47	56	470	944	50	58	27	1,598
Atlantic									
Wheat	23	31	75	291	646	45	1,061	169	686
Corn	12	3	389	120	194	62	n/a	59	295
Soybeans	1	2	67	620	488	127	119	125	1,042
Total	36	36	100	1,031	1,328	78	424	123	2,022
U.S. total from ports²									
Wheat	800	560	143	20,295	26,001	78	97	95	32,697
Corn	710	258	275	24,632	31,756	78	63	42	44,466
Soybeans	271	353	77	21,924	18,689	117	136	133	33,205
Total	1,781	1,172	152	66,851	76,446	87	90	75	110,369

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

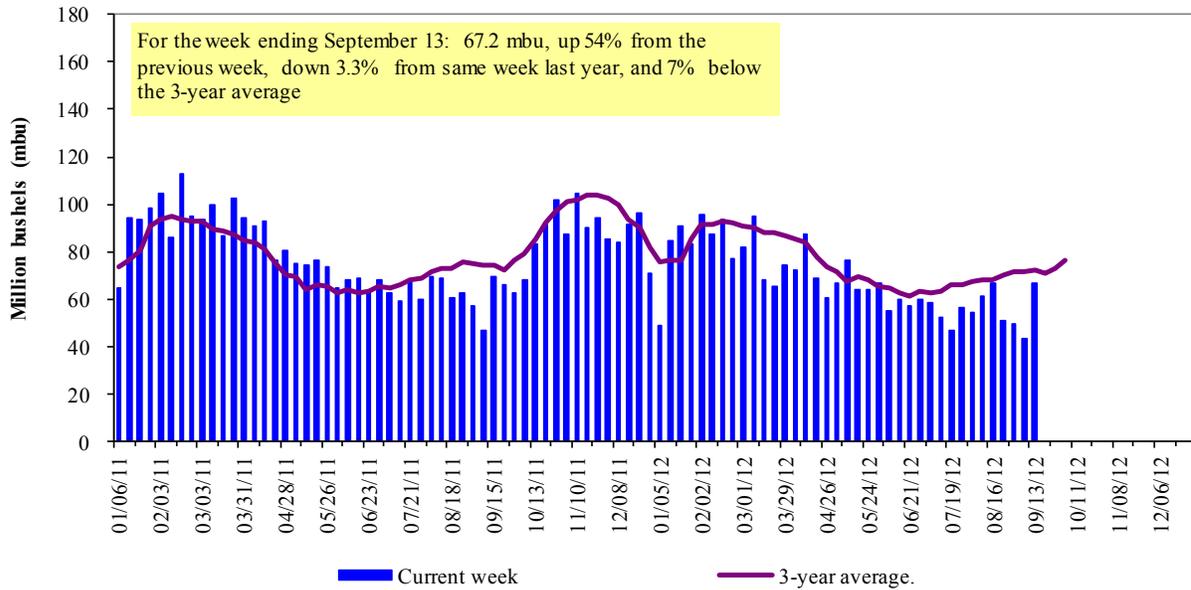
² Total includes only port regions shown above; Interior land-based shipments now included.

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

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

Figure 14

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

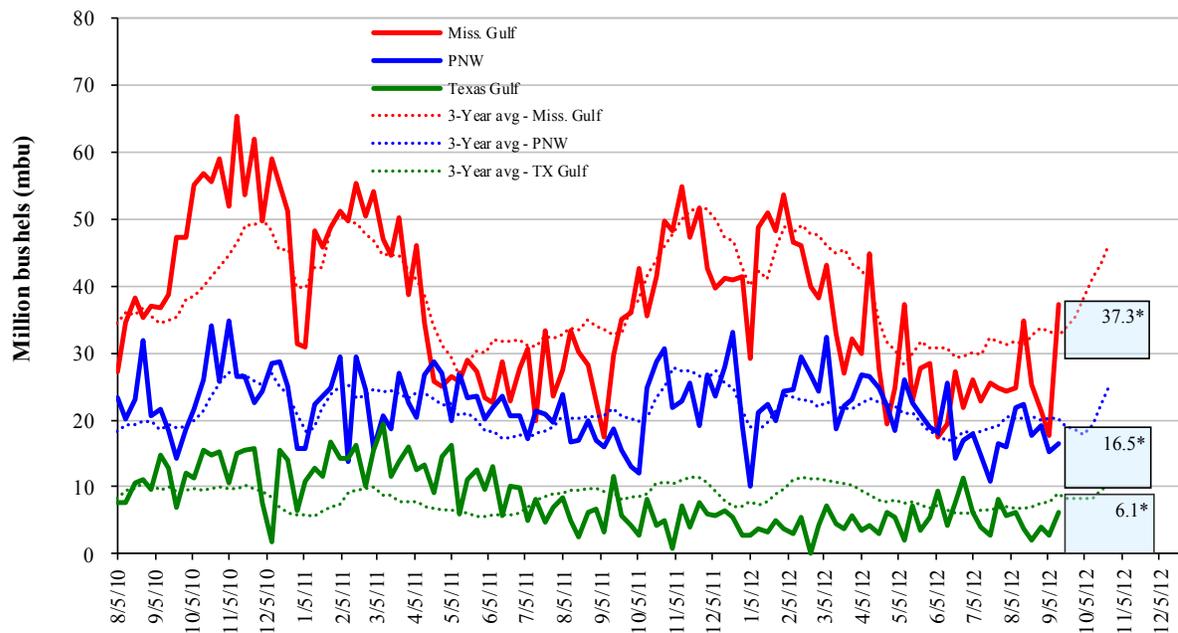


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

September 13 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 112	up 120	up 113	up 9
Last year (same week)	up 26	down 47	up 6	down 12
3-yr avg (4-wk mov. avg.)	up 15	down 31	up 5	down 17

Ocean Transportation

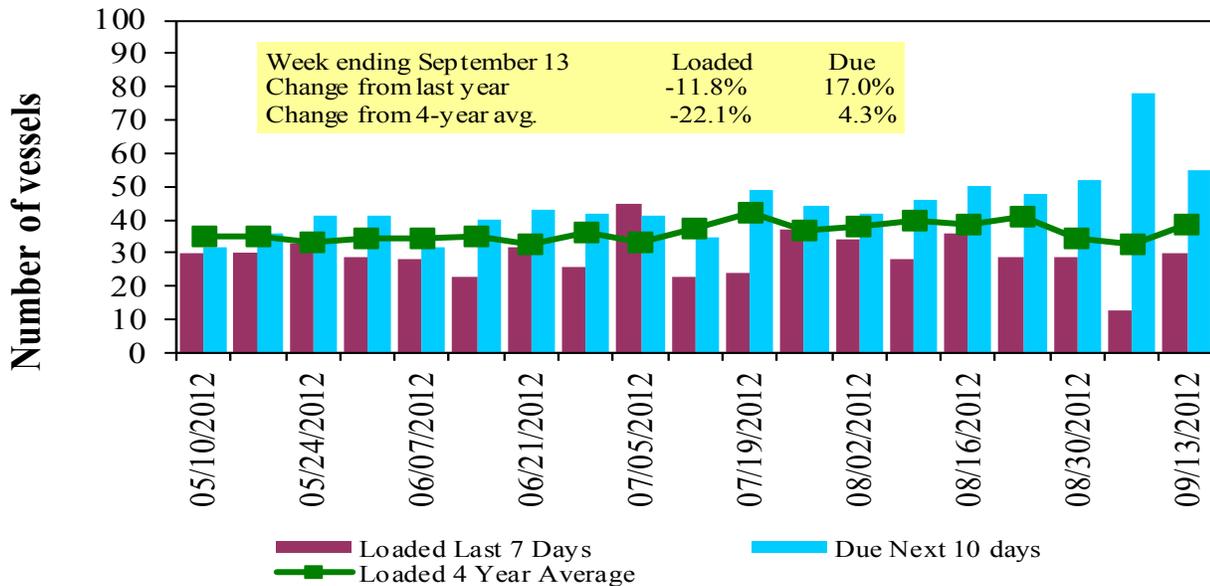
Table 17

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
9/13/2012	45	30	55	12	n/a
9/6/2012	22	13	78	8	n/a
2011 range	(14..65)	(28..54)	(34..83)	(5..25)	(1..20)
2011 avg.	31	38	53	15	12

Source: Transportation & Marketing Programs/AMS/USDA

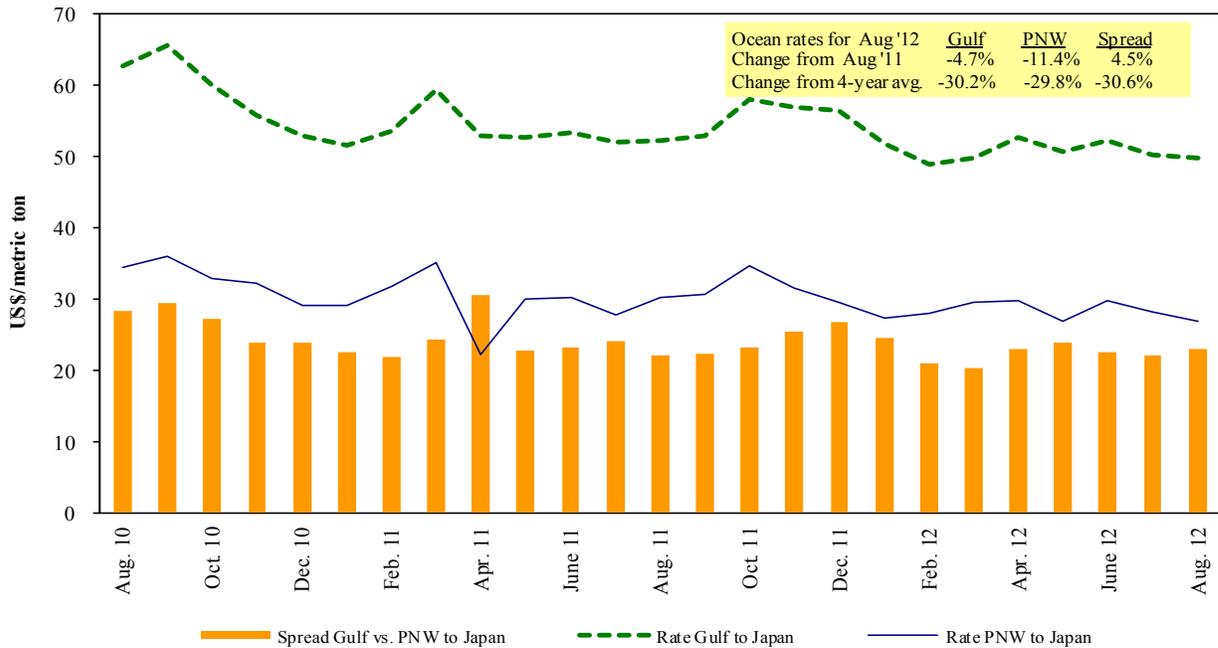
Figure 16
U.S. Gulf^d Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 09/15/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Sep 20/30	55,000	48.00
U.S. Gulf	China	Heavy Grain	Sep 13/22	55,000	45.50
U.S. Gulf	China	Heavy Grain	Sep 10/20	55,000	46.00
U.S. Gulf	China	Heavy Grain	Sep 10/20	55,000	48.00
U.S. Gulf	China	Heavy Grain	Sep 1/10	55,000	47.00
U.S. Gulf	Mozambique ¹	Wheat	Sep 20/30	10,000	211.50
Australia	China	Grain	Jul 26/Aug 4	65,000	19.45
Brazil	Algeria	Corn	Aug 18/25	30,000	24.50
Brazil	China	Heavy Grain	Aug 10/20	60,000	48.50
Brazil	China	Heavy Grain	Jul 25/30	60,000	49.00
Brazil	Egypt	Corn	Aug 18/20	45,000	28.50
Mexico	Turkey	Wheat	Sep 10/25	55,000	24.75
River Plate	Algeria	Corn	Aug 20/30	25,000	32.50
River Plate	Algeria	Corn	Jul 5/15	25,000	34.00
River Plate	Tunisia	Heavy Grain	Aug 17/20	30,000	28.50
River Plate	Tunisia	Soybean Meal	Sep 1/10	25,000	36.00
Russia	Egypt Med	Wheat	Aug 17/23	60,000	12.00

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

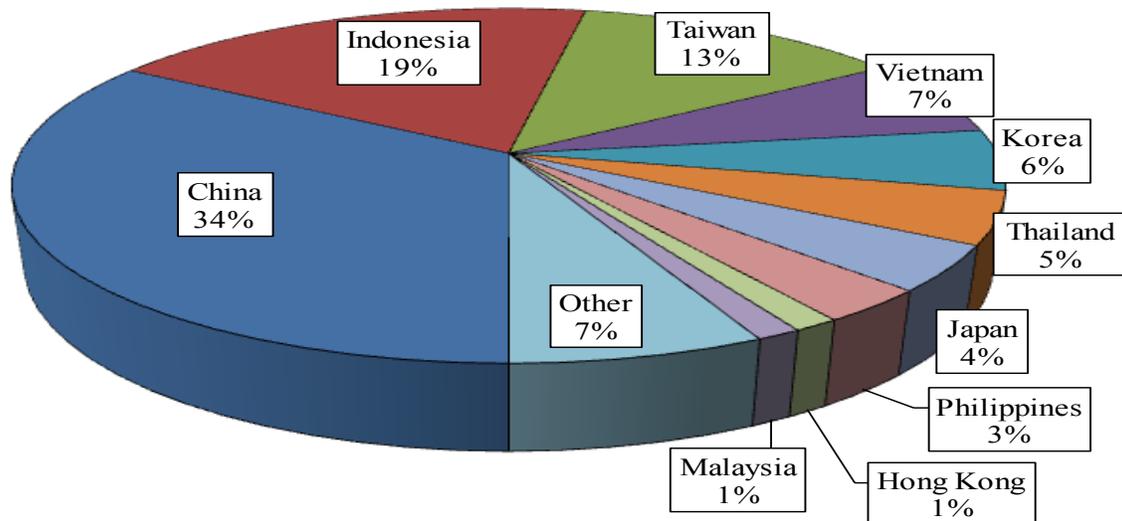
¹75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2011, containers were used to transport 7 percent of total U.S. waterborne grain exports, up 2 percentage points from 2010. Approximately 11 percent of U.S. waterborne grain exports in 2011 went to Asia, up 4 percentage points from 2010. Asia is the top destination for U.S. containerized grain exports—96 percent in 2011.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, June 2012

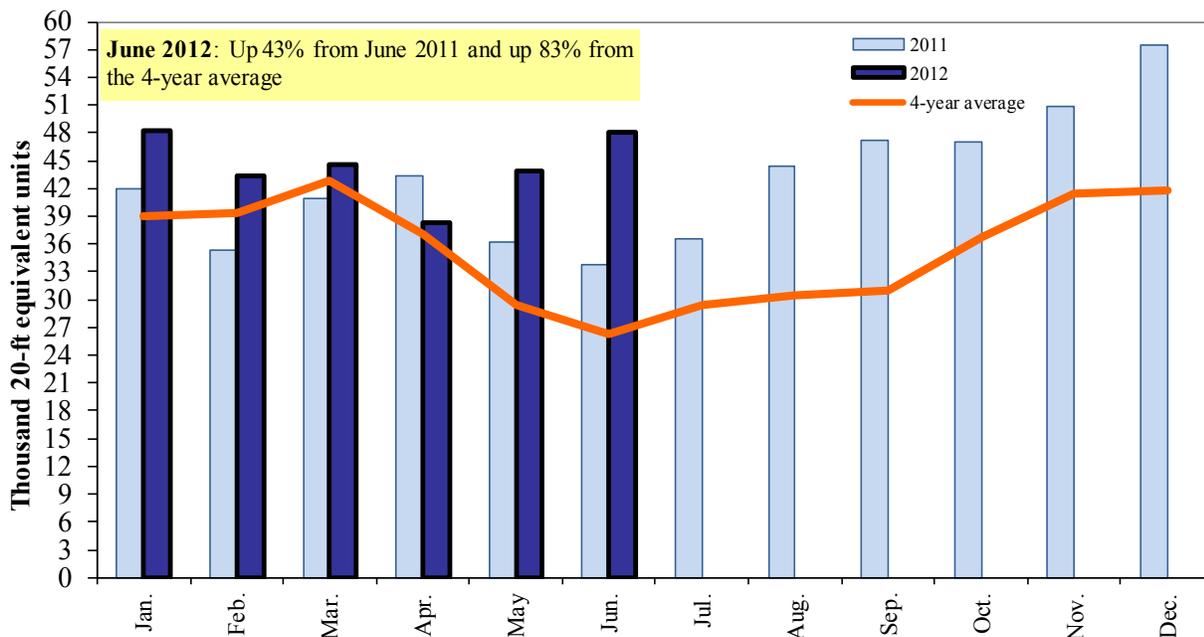


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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

Figure 19

Monthly Shipments of Containerized Grain to Asia



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

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

Contacts and Links

Coordinators

Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701

Weekly Highlight Editors

Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430

Grain Transportation Indicators

Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
-------------------------------	--	------------------

Rail Transportation

Marvin Prater	marvin.prater@ams.usda.gov	(202) 720 - 0299
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701

Barge Transportation

Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374

Truck Transportation

April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
--------------	--	------------------

Grain Exports

Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244

Ocean Transportation

Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 295 - 7374

Economics Assistants

Daniel O'Neil, Jr.	daniel.oneil@ams.usda.gov	(202) 720 - 0194
Zachary Smith	zachary.smith@ams.usda.gov	(202) 720 - 0194
Joyce Zhang	joyce.zhang@ams.usda.gov	(202) 720 - 0194

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

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410. Or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.