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Contents

The next release is October 25, 2012

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

Record Soybean Export Sales Increase Ocean Vessel Loadings…
Soybean export sales during the week ending October 4 reached almost 24 million metric tons (mmt), 37 percent higher than for the same time last year and 70 percent of the marketing year projected total (34.4 mmt). Grain shipping activity is increasing due to the strong soybean demand from China and a better-than-expected soybean harvest. During the week ending October 11, 41 **ocean-going grain vessels** were loaded in the Gulf, up 37 percent from the same period last year. Sixty-four vessels are expected to be loaded within the next 10 days, 42 percent more than the same period last year.

….and Raise Current Soybean Barge Shipments; Corn Barge Shipments Down
During the week ending October 13, **barge grain movements** totaled 576,445 tons, 120 percent higher than the previous week but 3 percent lower than the same period last year. Soybeans were 68 percent of the tonnage, whereas on a 5-year average, soybeans would typically represent 15 percent of the third quarter weekly tonnage and corn would typically represent 76 percent of the weekly third quarter shipments. Average weekly third quarter soybeans barge movements were 180 thousand tons, up 96 percent from the 5-year average. Overall, grain barge shipments were down for the third quarter as average weekly third quarter corn movements were 226 thousand, down 50 percent from the 5-year average.

Weekly Grain Inspections Rebound
For the week ending October 11, **total inspections of grain** (wheat, corn, and soybeans) for export from major U.S. ports reached 2.21 million metric tons (mmt), up 8 percent from the previous week but 1 percent below last year at this time. Soybean inspections (1.58 mmt), up in each of the major export regions, increased 26 percent from the previous week and 28 percent above last year at this time. Corn inspections (.442 mmt) were mainly unchanged from the past week. Wheat inspections (.191 mmt), however, hit one of the lowest levels on record; dropping 47 percent from the previous week as shipments to Asia and Nigeria decreased. Outstanding export sales were down for each of the three major grains, but only slightly for wheat and soybeans.

Almost 80 Perecent of Nation's Corn and over 70 Percent of Soybeans Harvested
As of October 14, the top three corn-producing States—Iowa, Illinois, and Nebraska—were 34–57 percentage points ahead of their average harvest pace. The top 18 corn-producing States were 79 percent harvested—41 points ahead of the average pace. The top 18 soybean-producing States have harvested 71 percent of the soybean crop, 13 points ahead of the average pace. Barge operators have indicated that truck deliveries to some river elevators have been brisk due to the fast harvest. The high trucking activity is causing some delays in unloading grain.

Diesel Fuel Prices Increase to New 4-Year High
During the week ending October 15, U.S. average **diesel fuel prices** increased 6 cents to $4.15 per gallon, the highest since March 2012 and 35 cents higher than the same week last year. Diesel prices hit a temporary low of $3.65 on July 2 before increasing 49 cents to $4.14 on September 17. Prices temporarily decreased a total of 6 cents for the weeks ending September 24 and October 1. The most recent Short-term Energy and Winter Fuels Outlook by the Energy Information Administration (EIA) attributed the rising diesel prices to tight market conditions and increasing crude oil prices. However, the EIA expects Brent crude oil prices to fall from recent highs over the rest of 2012, averaging $111 per barrel over the fourth quarter of 2012 and $103 per barrel in 2013. Rising diesel prices hit farmers twice: they have to pay more to refuel farm equipment, and often have to pay fuel surcharges to carriers.

Snapshots by Sector

Rail
U.S. railroads originated 20,958 **carloads of grain** during the week ending October 6, down 3 percent from last week, 5 percent from last year, and 10 percent lower than the 3-year average.

During the week ending October 11, average October non-shuttle **secondary railcar bids/offers per car** were at tariff, down $19 from last week, and $25 higher than last year. Average shuttle bids/offers were $100 below tariff, down $296 from last week, and $200 higher than last year.

Ocean
During the week ending October 12, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $49 per mt, unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was $27 per mt, also unchanged from the previous week.

Barge
During the week ending October 13, 382 grain barges **moved down river**, up 113 percent from last week; 714 grain barges were **unloaded in New Orleans**, up 19.4 percent from the previous week.

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Third Quarter Grain Inspections Below Average; Soybeans Set Record

Third quarter 2012 inspections of wheat, corn, and soybeans for export from all U.S. ports totaled 20.37 million metric tons (mmt), down 6 percent from this time last year and 17 percent below the 5-year average (see table 1). Third quarter inspections were down 5 percent from the previous quarter according to the Grain Inspection, Packers, and Stockyards Administration (GIPSA). Demand for U.S. grain decreased due to higher U.S. prices and increased competition from other major exporters. Third quarter shipments of grain to Mexico, Africa, and Latin America were down from the second quarter. Despite the drop in total grain inspections, soybean shipments increased to record levels as demand from Asia remained strong. According to the USDA October forecast, the 2012/13 wheat exports are projected to be up 10 percent from the previous year, while corn exports are projected to be 25 percent lower, and soybean exports 7 percent lower.

Table 1: Total Third Quarter Grain Inspections By Port Regions, 2007-2012
(Includes Total, Corn, Soybeans, and Wheat)

Year	PNW	% of Average	U.S. Gulf	% of Average	East/Great Lakes	% of Average	Interior	% of Average	U.S. Total[1]	% of Average
				1000 Metric Tons						
2007	5,927	91%	17,030	116%	2,112	187%	2,668	113%	27,737	112%
2008	6,775	104%	14,334	98%	847	75%	2,441	103%	24,484	99%
2009	6,396	98%	14,670	100%	948	84%	1,843	78%	23,857	97%
2010	7,168	110%	15,294	104%	1,182	105%	2,103	89%	25,747	104%
2011	6,328	97%	11,880	81%	553	49%	2,763	117%	21,524	87%
2012	6,079	93%	11,546	79%	464	41%	2,280	96%	20,370	83%
2007-2011 Avg.	6,519		14,642		1,128		2,364		24,670	

Source: USDA/GIPSA
[1]Total includes Interior inspections

Third quarter U.S. Gulf grain inspections totaled 11.55 mmt, down 3 percent from last year, 21 percent below the 5-year average and are at their lowest since 2005, when the Gulf was hit by Hurricane Katrina. However, the Gulf's share of total exports is up slightly from last year (see table 2). Although third-quarter rail deliveries to the U.S. Gulf dropped 11 percent from last year, deliveries to the Mississippi Gulf ports increased 107 percent from last year and were 434 percent above the second quarter 2012. The drought has caused extremely low river levels that have reduced the capacity of barge movements on the Mississippi River and its tributaries. The average weekly third-quarter barge movements were 449 thousand tons, 25 percent lower than the 5-year average. (***GTR dated 10/04/12***). Ocean rates dropped 5 and 8 percent from the second quarter in the U.S. Gulf and Pacific Northwest (PNW), respectively. The third quarter ocean rate spread has remained relatively stable compared to last year.

Table 2: Total Third Quarter Grain Inspections By Port Regions, 2007-2012
(Includes Total, Corn, Soybeans, and Wheat)

Year	PNW	% of Total	U.S. Gulf	% of Total	East/Great Lakes	% of Total	Interior	% of Total	U.S. Total[1]
				1000 Metric Tons					
2007	5,927	21%	17,030	61%	2,112	8%	2,668	10%	27,737
2008	6,775	28%	14,334	59%	847	3%	2,441	10%	24,484
2009	6,396	27%	14,670	61%	948	4%	1,843	8%	23,857
2010	7,168	28%	15,294	59%	1,182	5%	2,103	8%	25,747
2011	6,328	29%	11,880	55%	553	3%	2,763	13%	21,524
2012	6,079	30%	11,546	57%	464	2%	2,280	11%	20,370
2007-2011 Avg.	6,519		14,642		1,128		2,364		24,670

Source: USDA/GIPSA
[1]Total includes Interior inspections

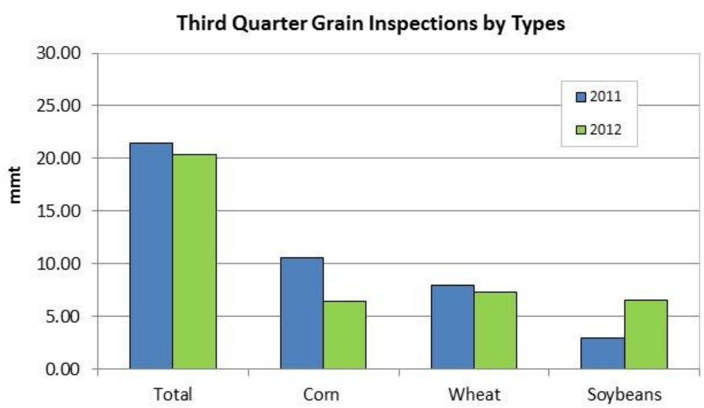
Total PNW grain inspections reached 6.08 mmt, down 4 percent from last year and 7 percent below the 5-year average (see table 1). Although PNW soybean inspections increased 118 percent from last year, corn inspections dropped 53 percent as corn prices increased and shipments to Asia slowed. In addition, the PNW's share of total grain exports has remained relatively stable since 2010 (see table 2). Third quarter Atlantic/Great Lakes grain inspections totaled .464 mmt, the lowest on record.

Soybean Inspections Reach Record High

U.S. soybean inspections reached a record 6.55 mmt during the third quarter, up 117 percent from last year and 88 percent above the 5-year average. Shipments of soybeans to Asia accounted for about 73 percent of all U.S. soybeans inspected for export during the third quarter, with shipments to China accounting for 51 percent of all soybean exports destined for Asia. Soybean inspections reached record highs in the Gulf and PNW during the third quarter. Year-to-date **barge movements** of soybeans reached 8.05 million tons, up 52 percent from last year. About 67 percent of total soybean inspections occurred in the U.S. Gulf; 18 percent occurred in the PNW. Interior (land-based shipments) soybean inspections accounted for 14 percent of total third-quarter soybean inspections. During September 2012, outstanding (unshipped) soybean export sales were also strong, averaging 21 mmt, 42 percent above this time last year.

Wheat and Corn Inspections Recede

According to GIPSA, third quarter wheat inspections at all ports totaled 7.30 mmt, down 8 percent from last year and 11 percent below the 5-year average (see figure). Third quarter wheat exports decreased primarily to Africa and Latin America. Third quarter wheat inspections in the U.S. Gulf were 2.84 mmt, down 21 percent from last year. Although total wheat inspections decreased during the third quarter, PNW wheat inspections increased 7 percent from last year to 3.95 mmt. According to the latest WASDE, U.S. wheat exports for the 2012/13 marketing year are expected to rise, pushed up by increased production and higher demand.



The United States has faced increased corn export competition as U.S. corn prices increased on expectations of lower production due to drought. Third quarter corn inspections (6.52 mmt) were the lowest on record, down 38 percent from last year and 48 percent below the 5-year average. Corn inspections during the third quarter decreased at all ports. Gulf corn inspections decreased 22 percent from last year to a record low of 4.35 mmt. PNW corn inspections decreased 53 percent to .983 mmt due to smaller shipments to Japan, Korea, and China. East/Great Lakes corn inspections decreased 60 percent from last year to .062 mmt. Tight supplies and higher prices are expected to cause U.S. corn exports to decrease notably for the 2012/13 marketing year.
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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
10/17/12	279	232	204	278	219	191
10/10/12	275	233	216	285	219	191

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

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

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

Commodity	Origin--Destination	10/12/2012	10/5/2012
Corn	IL--Gulf	-0.71	-0.70
Corn	NE--Gulf	-0.71	-0.72
Soybean	IA--Gulf	-1.25	-1.28
HRW	KS--Gulf	-1.55	-1.70
HRS	ND--Portland	-1.97	-2.03

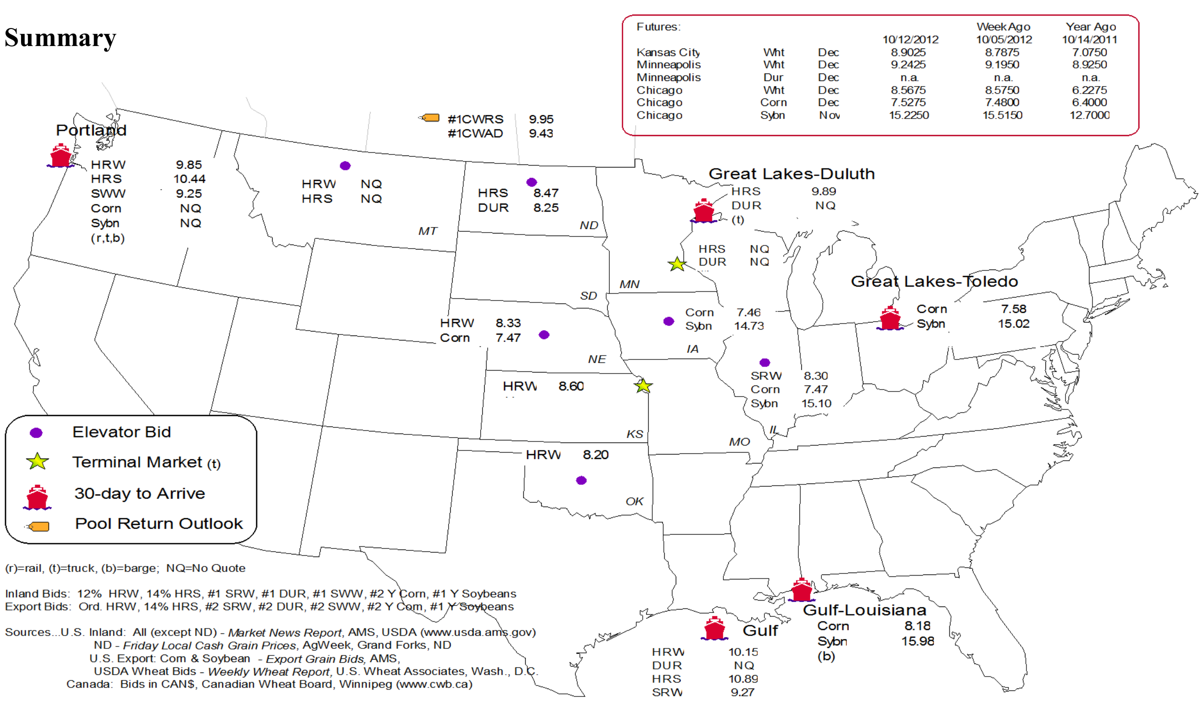
Note: nq = no quote

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	Cross-Border Mexico*	Pacific Northwest	Atlantic & East Gulf	Total
10/10/2012[p]	1,439	618	n/a	4,573	856	7,918
10/03/2012[r]	1,218	957	n/a	4,395	275	7,522
2012 YTD[r]	10,514	32,683	n/a	159,449	13,445	256,657
2011 YTD[r]	23,717	71,052	n/a	143,218	17,607	292,089
2012 YTD as % of 2011 YTD	44	46	n/a	111	76	88
Last 4 weeks as % of 2011[2]	229	89	n/a	158	247	140
Last 4 weeks as % of 4-year avg.[2]	99	72	n/a	121	95	102
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.

*Data is unavailable.

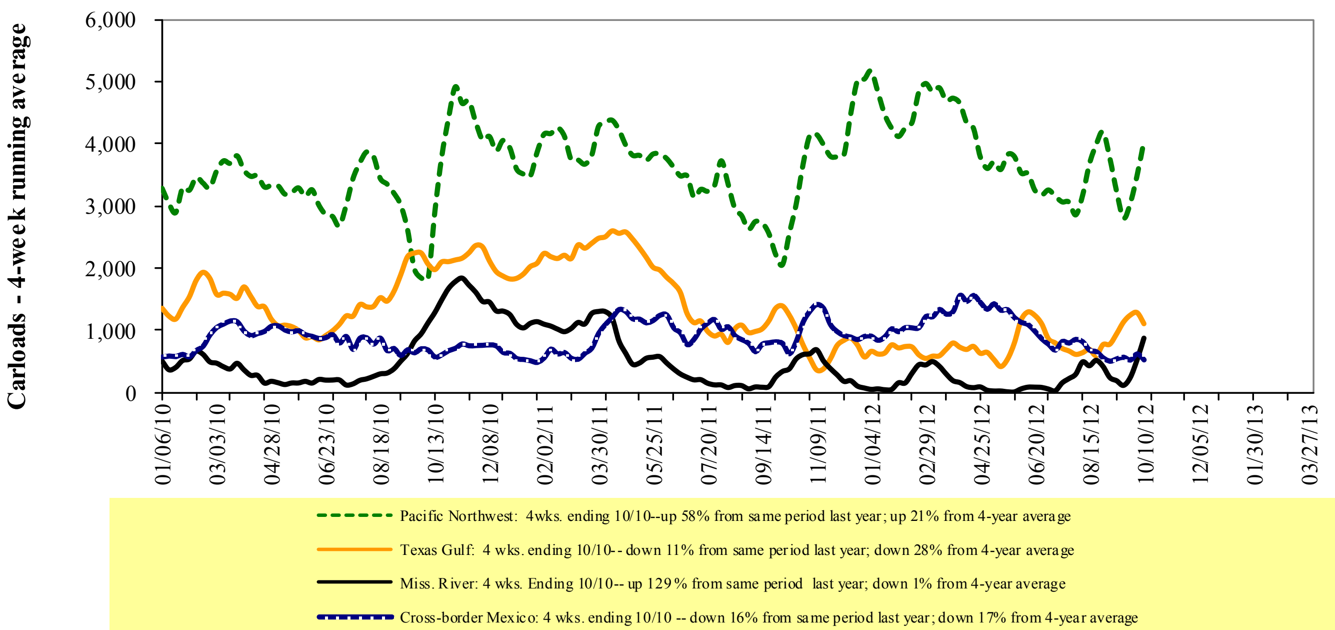
YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available

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)

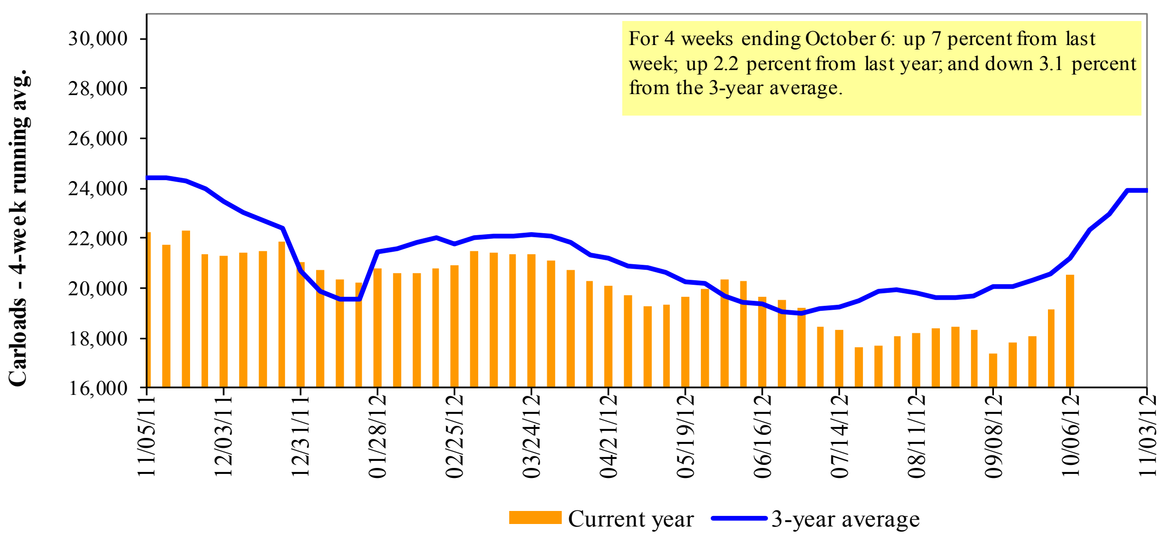
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
10/06/12	1,500	2,647	12,048	503	4,260	20,958	4,189	5,534
This week last year	1,875	3,039	9,680	838	6,608	22,040	3,889	5,210
2012 YTD	65,138	110,102	393,550	20,574	198,384	787,748	153,641	193,989
2011 YTD	70,243	114,288	420,242	27,907	231,628	864,308	151,628	202,238
2012 YTD as % of 2011 YTD	93	96	94	74	86	91	101	96
Last 4 weeks as % of 2011[1]	94	101	115	55	88	102	111	124
Last 4 weeks as % of 3-yr avg.[1]	66	86	109	63	80	94	108	115
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

[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**							
10/11/2012	**Oct-12**	**Oct-11**	**Nov-12**	**Nov-11**	**Dec-12**	**Dec-11**	**Jan-13**	**Jan-12**
BNSF[3]								
COT grain units	no bids	no bids	0	no bids	no bids	no bids	no offer	no bids
COT grain single-car[5]	11 . . 16	no bids	0 . . 10	10	0	10	no offer	0
UP[4]								
GCAS/Region 1	no offer	no bids	1	no bids	1	no bids	n/a	n/a
GCAS/Region 2	no offer	no bids	no bids	no bids	no bids	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.

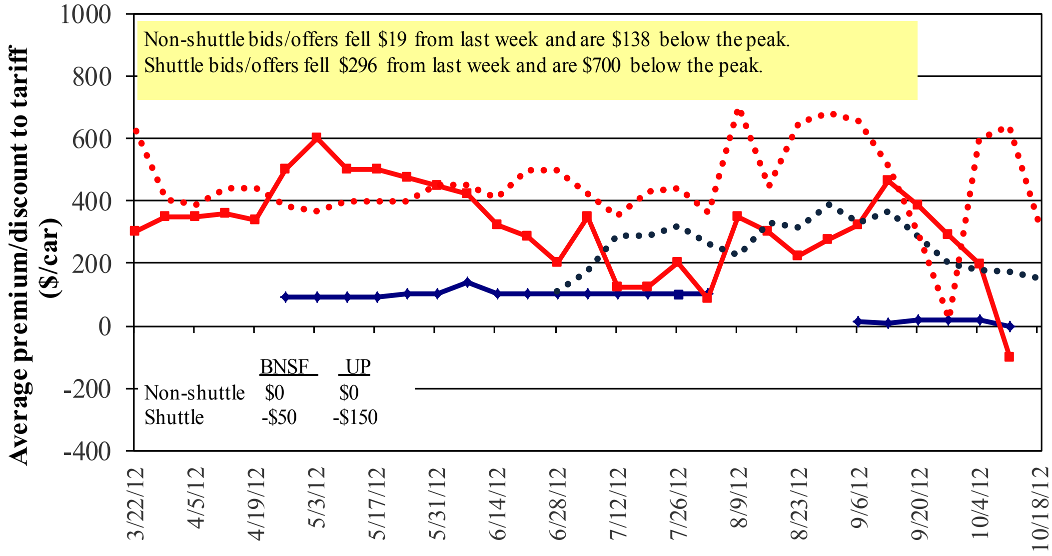
[5]Range is shown because average is not available. Not available = n/a.

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 October 2012, Secondary Market

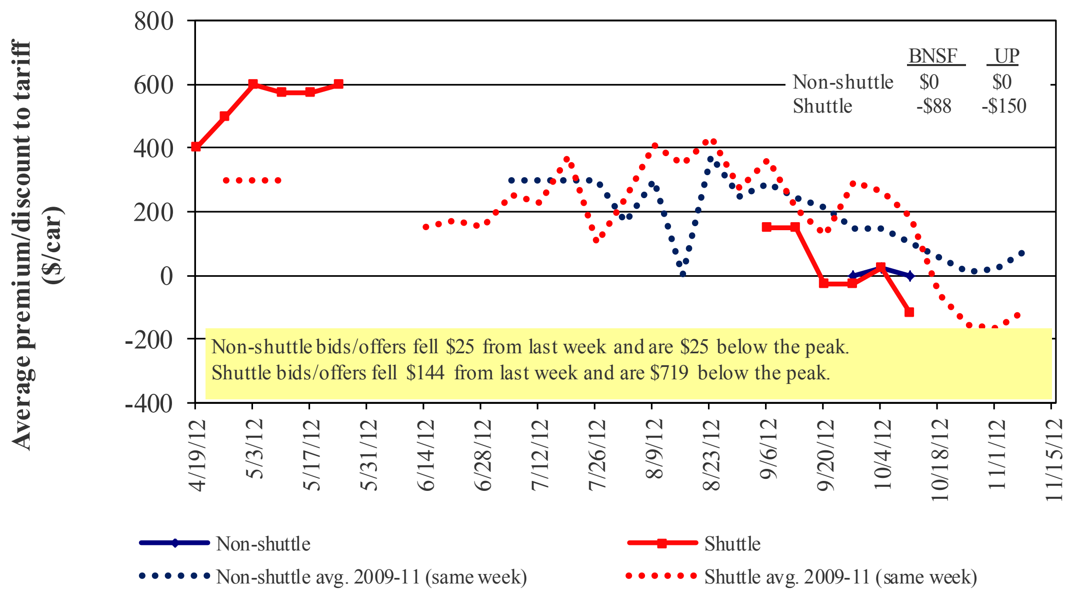


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

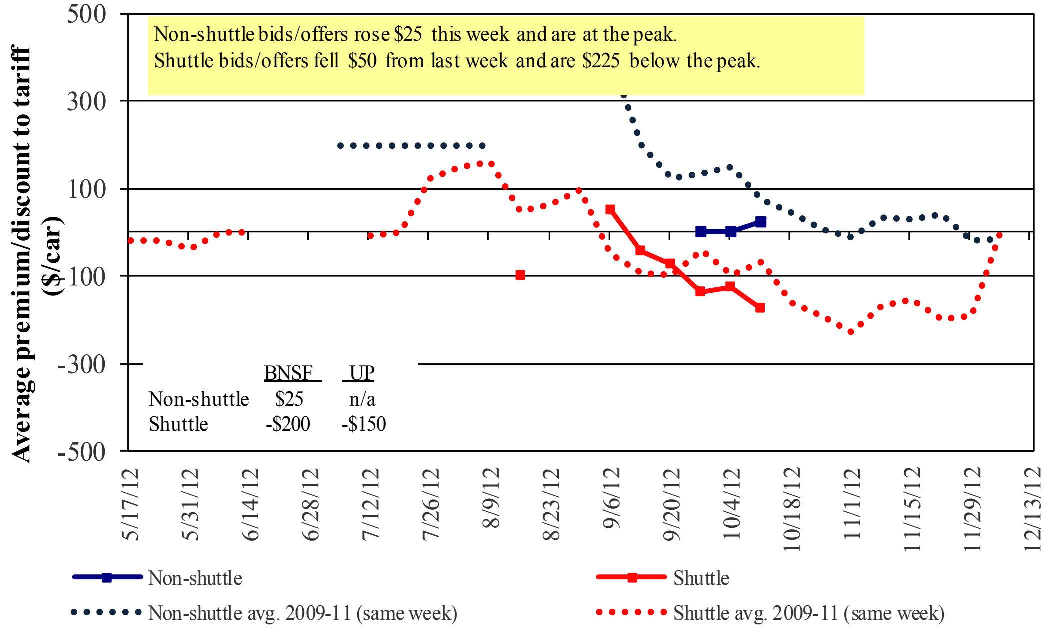


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in December 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					
10/11/2012	**Oct-12**	**Nov-12**	**Dec-12**	**Jan-13**	**Feb-13**	**Mar-13**
Non-shuttle						
BNSF-GF	-	-	25	n/a	n/a	n/a
Change from last week	(25)	(25)	25	n/a	n/a	n/a
Change from same week 2011	25	33	25	n/a	n/a	n/a
UP-Pool	-	-	n/a	n/a	n/a	n/a
Change from last week	(13)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	25	33	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(50)	(88)	(200)	n/a	n/a	n/a
Change from last week	(367)	(188)	(50)	n/a	n/a	n/a
Change from same week 2011	550	n/a	n/a	n/a	n/a	n/a
UP-Pool	(150)	(150)	(150)	n/a	n/a	n/a
Change from last week	(225)	(100)	(50)	n/a	n/a	n/a
Change from same week 2011	(150)	50	50	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 Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

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

Effective date: 10/1/2012	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	$3,144	$192	$33.13	$0.90	5
	Grand Forks, ND	Duluth-Superior, MN	$3,445	$113	$35.34	$0.96	11
	Wichita, KS	Los Angeles, CA	$6,026	$581	$65.61	$1.79	6
	Wichita, KS	New Orleans, LA	$3,645	$338	$39.56	$1.08	4
	Sioux Falls, SD	Galveston-Houston, TX	$5,573	$477	$60.08	$1.64	3
	Northwest KS	Galveston-Houston, TX	$3,912	$371	$42.53	$1.16	4
	Amarillo, TX	Los Angeles, CA	$4,112	$516	$45.95	$1.25	4
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,110	$382	$34.68	$0.94	2
	Toledo, OH	Raleigh, NC	$4,508	$433	$49.07	$1.34	14
	Des Moines, IA	Davenport, IA	$2,006	$81	$20.72	$0.56	4
	Indianapolis, IN	Atlanta, GA	$3,920	$325	$42.15	$1.15	15
	Indianapolis, IN	Knoxville, TN	$3,354	$209	$35.38	$0.96	18
	Des Moines, IA	Little Rock, AR	$3,154	$238	$33.68	$0.92	3
	Des Moines, IA	Los Angeles, CA	$5,065	$693	$57.18	$1.56	2
Soybeans	Minneapolis, MN	New Orleans, LA	$3,269	$425	$36.68	$1.00	-3
	Toledo, OH	Huntsville, AL	$3,575	$308	$38.56	$1.05	3
	Indianapolis, IN	Raleigh, NC	$4,578	$436	$49.79	$1.36	3
	Indianapolis, IN	Huntsville, AL	$3,267	$209	$34.51	$0.94	3
	Champaign-Urbana, IL	New Orleans, LA	$3,599	$382	$39.54	$1.08	6
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,481	$334	$37.89	$1.03	8
	Wichita, KS	Galveston-Houston, TX	$3,634	$260	$38.67	$1.05	15
	Chicago, IL	Albany, NY	$3,771	$406	$41.48	$1.13	4
	Grand Forks, ND	Portland, OR	$4,963	$578	$55.02	$1.50	6
	Grand Forks, ND	Galveston-Houston, TX	$5,984	$602	$65.40	$1.78	5
	Northwest KS	Portland, OR	$4,793	$608	$53.63	$1.46	2
Corn	Minneapolis, MN	Portland, OR	$4,800	$703	$54.65	$1.49	1
	Sioux Falls, SD	Tacoma, WA	$4,760	$644	$53.67	$1.46	1
	Champaign-Urbana, IL	New Orleans, LA	$2,857	$382	$32.17	$0.88	0
	Lincoln, NE	Galveston-Houston, TX	$3,310	$375	$36.60	$1.00	1
	Des Moines, IA	Amarillo, TX	$3,430	$299	$37.03	$1.01	0
	Minneapolis, MN	Tacoma, WA	$4,800	$698	$54.59	$1.49	1
	Council Bluffs, IA	Stockton, CA	$4,200	$722	$48.87	$1.33	1
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,340	$644	$59.43	$1.62	6
	Minneapolis, MN	Portland, OR	$5,330	$703	$59.91	$1.63	6
	Fargo, ND	Tacoma, WA	$5,230	$573	$57.62	$1.57	6
	Council Bluffs, IA	New Orleans, LA	$3,870	$441	$42.81	$1.17	4
	Toledo, OH	Huntsville, AL	$2,750	$308	$30.36	$0.83	3
	Grand Island, NE	Portland, OR	$5,195	$622	$57.77	$1.57	14

[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: 10/1/2012				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,741	$611	$85.34	$2.32	4
	OK	Cuautitlan, EM	$6,837	$742	$77.44	$2.11	5
	KS	Guadalajara, JA	$7,444	$717	$83.39	$2.27	1
	TX	Salinas Victoria, NL	$3,743	$280	$41.10	$1.12	3
Corn	IA	Guadalajara, JA	$7,699	$843	$87.28	$2.21	3
	SD	Penjamo, GJ	$7,776	$800	$87.62	$2.22	7
	NE	Queretaro, QA	$7,153	$749	$80.74	$2.05	2
	SD	Salinas Victoria, NL	$5,700	$608	$64.45	$1.64	2
	MO	Tlalnepantla, EM	$6,592	$728	$74.79	$1.90	6
	SD	Torreon, CU	$6,522	$670	$73.48	$1.86	5
Soybeans	MO	Bojay (Tula), HG	$7,580	$711	$84.72	$2.30	10
	NE	Guadalajara, JA	$8,134	$814	$91.42	$2.49	5
	IA	El Castillo, JA[5]	$8,555	$795	$95.53	$2.60	10
	KS	Torreon, CU	$6,651	$505	$73.11	$1.99	6
Sorghum	OK	Cuautitlan, EM	$5,730	$607	$64.75	$1.64	2
	TX	Guadalajara, JA	$6,653	$520	$73.29	$1.86	1
	NE	Penjamo, GJ	$7,426	$726	$83.29	$2.11	2
	KS	Queretaro, QA	$6,460	$456	$70.66	$1.79	3
	NE	Salinas Victoria, NL	$5,178	$534	$58.36	$1.48	5
	NE	Torreon, CU	$6,068	$596	$68.09	$1.73	1

[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

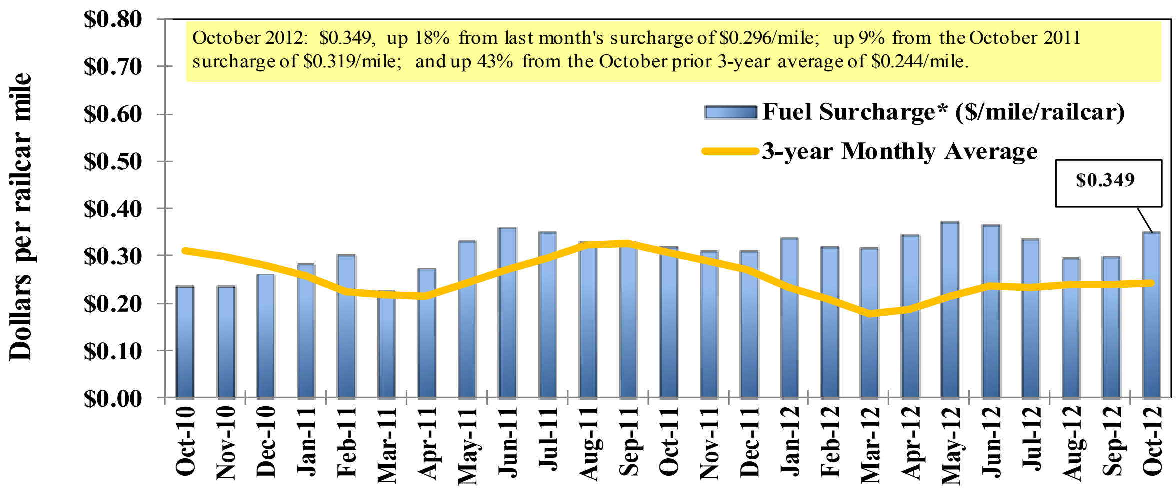
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[5] Beginning 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 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.

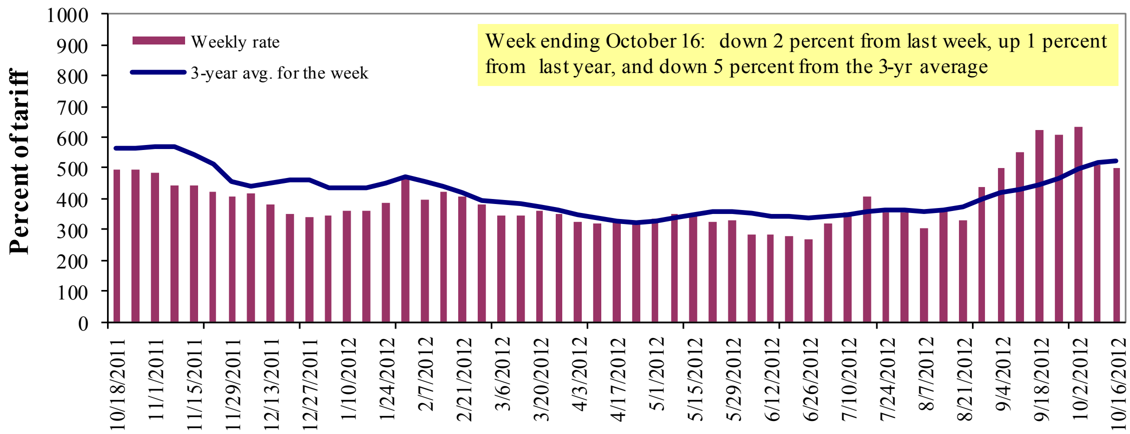
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]	10/16/2012	525	500	500	500	550	550	425
	10/9/2012	575	538	513	495	513	513	475
$/ton	10/16/2012	32.50	26.60	23.20	19.95	25.80	22.22	13.35
	10/9/2012	35.59	28.62	23.80	19.75	24.06	20.73	14.92
Current week % change from the same week:								
	Last year	9	3	1	17	9	9	10
	3-year avg. [2]	-1	-4	-5	10	1	1	-1
Rate[1]	November	475	450	413	400	488	488	363
	January	-	-	363	350	365	365	313

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds: - closed for winter

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

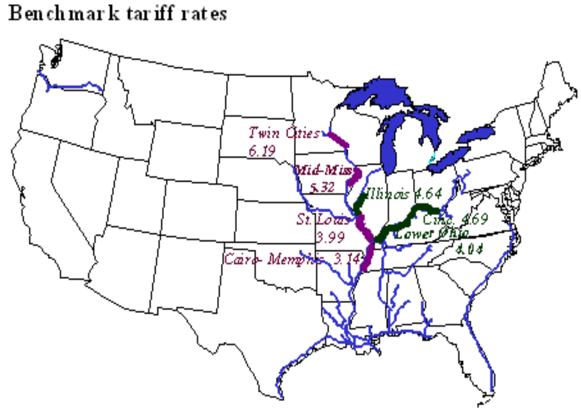
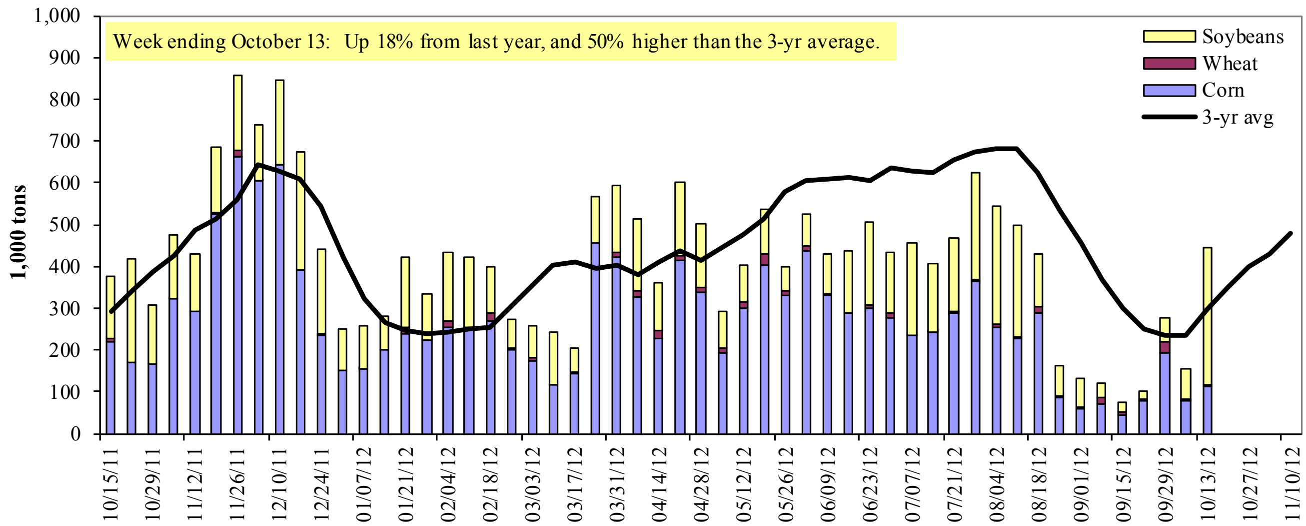


Figure 10

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 10/13/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	74	11	229	0	314
Winfield, MO (L25)	66	6	393	2	467
Alton, IL (L26)	110	6	355	2	473
Granite City, IL (L27)	112	6	328	2	447
Illinois River (L8)	21	0	20	0	41
Ohio River (L52)	23	7	45	5	81
Arkansas River (L1)	1	24	24	0	49
Weekly total - 2012	136	37	396	7	576
Weekly total - 2011	314	33	238	8	592
2012 YTD[1]	12,542	1,599	8,048	204	22,392
2011 YTD	14,820	1,258	5,280	302	21,660
2012 as % of 2011 YTD	85	127	152	67	103
Last 4 weeks as % of 2011[2]	51	47	195	57	91
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.

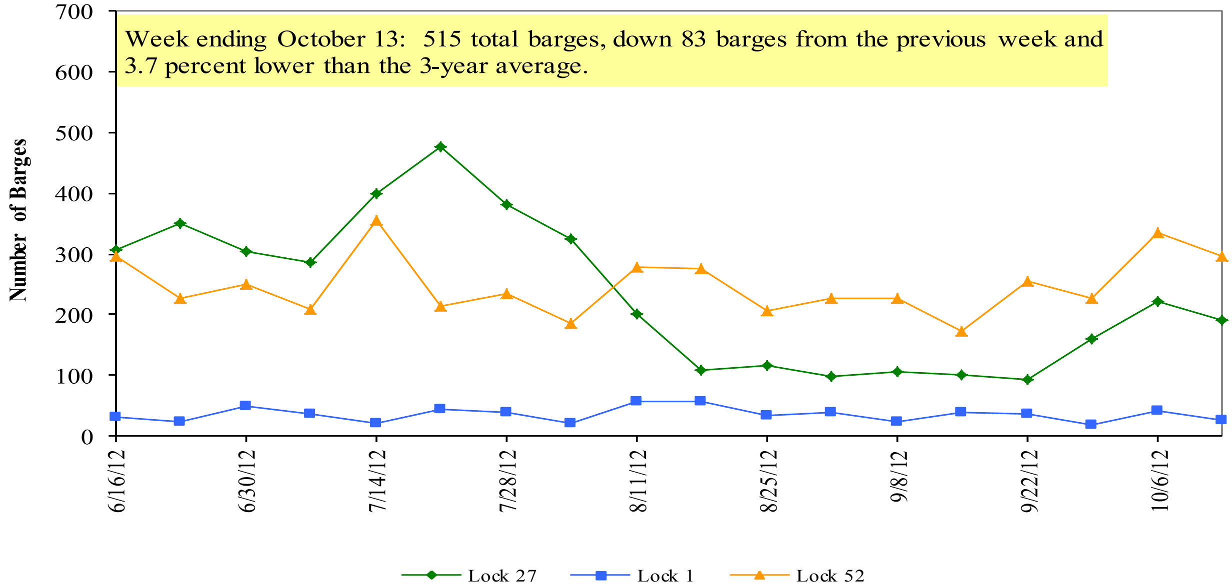
[2] As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

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

Figure 11

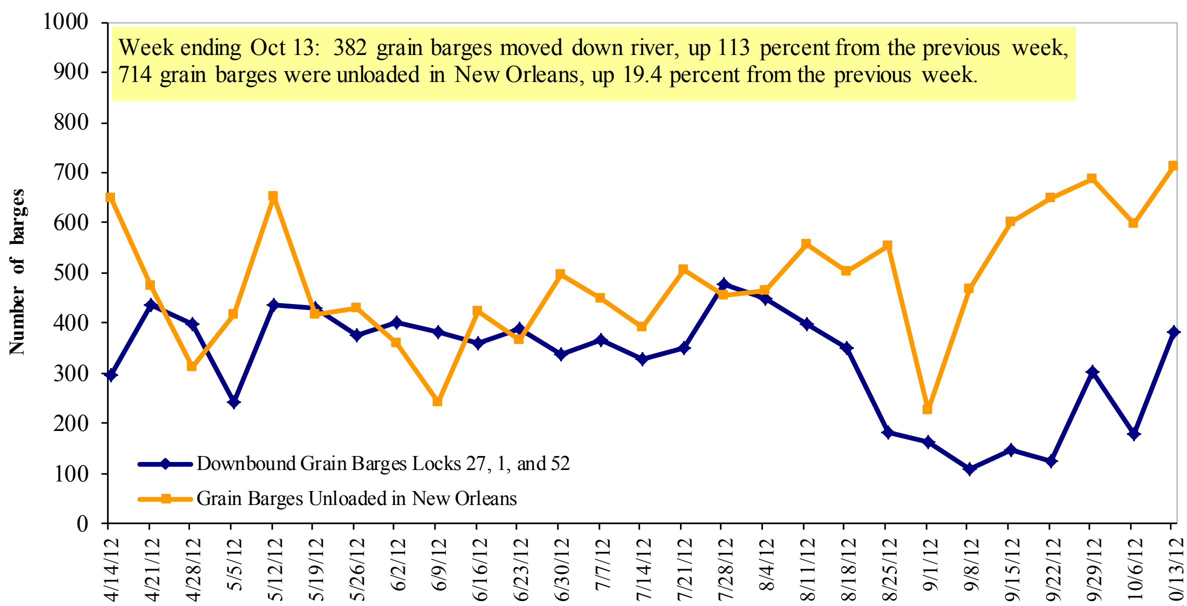
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices[1], Week Ending 10/15/2012 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.128	0.031	0.313
	New England	4.238	0.021	0.331
	Central Atlantic	4.208	0.023	0.286
	Lower Atlantic	4.047	0.038	0.286
II	Midwest[2]	4.150	0.110	0.396
III	Gulf Coast[3]	4.022	0.023	0.296
IV	Rocky Mountain	4.268	0.074	0.383
V	West Coast	4.346	0.027	0.336
	West Coast less California	4.238	0.031	-
	California	4.437	0.023	0.384
Total	U.S.	4.150	0.056	0.349

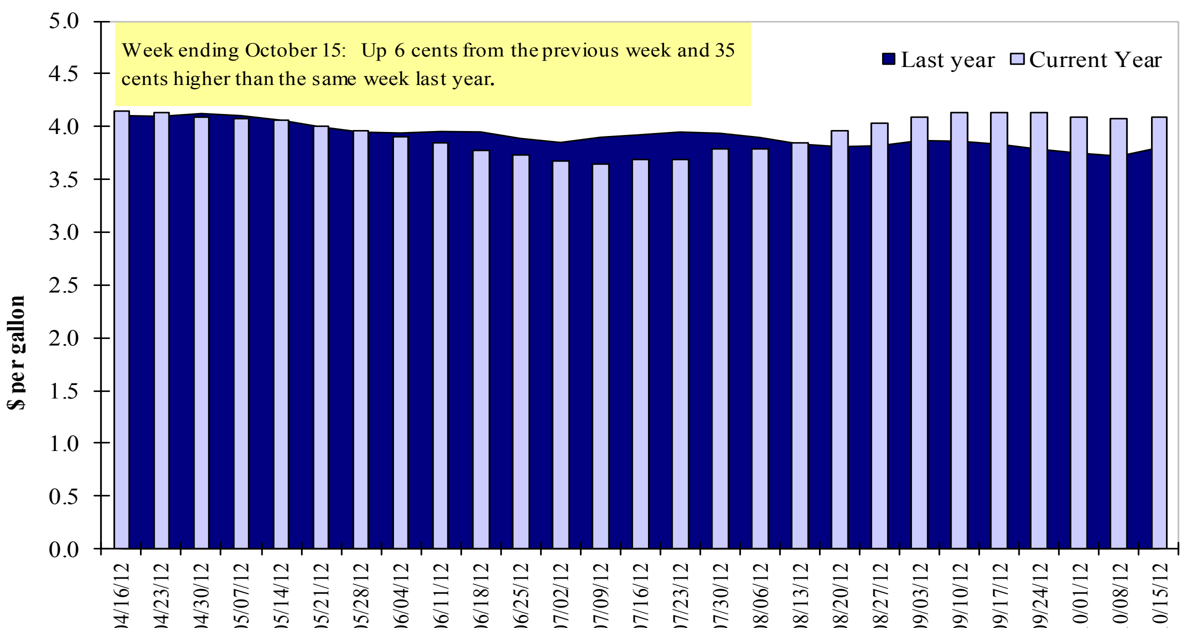
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
10/4/2012	1,228	625	1,091	729	84	3,757	7,814	20,737	32,308
This week year ago	1,459	737	1,282	1,000	85	4,563	14,630	15,658	34,851
Cumulative exports-marketing year[2]									
2012/13 YTD	3,908	1,299	2,423	1,751	223	9,604	2,620	3,232	15,455
2011/12 YTD	4,494	1,394	2,628	1,842	229	10,588	3,738	1,832	16,158
YTD 2012/13 as % of 2011/12	87	93	92	95	97	91	70	176	96
Last 4 wks as % of same period 2011/12	92	90	88	77	116	88	58	135	96
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 Importers[1] of U.S. Corn

Week ending 10/04/12	Total Commitments[2] 2012/13 Current MY	2011/12 Last MY	% change current MY from last MY	Exports[3] 2011/12
	- 1,000 mt -			- 1,000 mt -
Japan	2,679	4,237	(37)	12,367
Mexico	2,543	3,485	(27)	9,617
China	1,099	1,023	7	5,414
Korea	354	1,525	(77)	3,639
Venezuela	172	116	49	1,332
Top 5 importers	**6,846**	**10,386**	**(34)**	**32,369**
Total US corn export sales	**10,434**	**18,368**	**(43)**	**39,120**
% of Projected	36%	47%		
Change from prior week	**4**	**1,259**		
Top 5 importers' share of U.S. corn export sales	66%	57%		83%
USDA forecast, October 2012	**29,210**	**39,120**	**(25)**	
Corn Use for Ethanol USDA forecast, Ethanol October 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)

Table 14

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

Week Ending 10/04/2012	Next MY	Total Commitments[2] 2012/13 Current MY	2011/12 Last MY	% change current MY from last MY	Exports[3] 2011/12
		- 1,000 mt -			- 1,000 mt -
China		14,798	2,328	536	24,602
Mexico		796	1,002	(21)	3,180
Japan		626	607	3	1,891
Indonesia		334	440	(24)	1,741
Egypt		213	175	22	1,292
Top 5 importers		**16,768**	**4,551**	**268**	**32,706**
Total US soybean export sales		**23,969**	**17,490**	**37**	**37,010**
% of Projected		70%	47%		
Change from prior week		501	772		
Top 5 importers' share of U.S. soybean export sales		70%	26%		
USDA forecast, October 2012		**34,430**	**37,010**	**(7)**	

(n) indicates negative number.

[1]Based on FAS 2008/09 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 10/04/2012	Total Commitments[2] 2012/13 Current MY	2011/12 Last MY	% change current MY from last MY	Exports[3] 2011/12
	- 1,000 mt -			- 1,000 mt -
Japan	1,768	2,092	(15)	3,512
Mexico	1,861	1,903	(2)	3,496
Nigeria	1,610	1,710	(6)	3,248
Philippines	1,232	1,260	(2)	2,039
Korea	877	632	39	1,983
Egypt	148	247	(40)	950
Taiwan	550	410	34	888
Indonesia	346	432	(20)	830
Venezuela	406	317	28	594
Iraq	209	572	(63)	572
Top 10 importers	**9,006**	**9,573**	**(6)**	**18,111**
Total US wheat export sales	**13,361**	**15,152**	**(12)**	**28,560**
% of Projected	43%	53%		
Change from prior week	280	484		
Top 10 importers' share of U.S. wheat export sales	67%	63%		63%
USDA forecast, October 2012	**31,300**	**28,560**	**10**	

(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 10/11/12	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 2011	Last 4-weeks as % of 3-yr. avg.	Total[1] 2011
Pacific Northwest									
Wheat	58	90	65	10,879	11,582	94	78	79	13,995
Corn	6	1	1,275	5,010	7,038	71	49	20	9,198
Soybeans	568	462	123	7,032	4,439	158	206	165	7,321
Total	**633**	**552**	**115**	**22,921**	**23,059**	**99**	**123**	**104**	**30,513**
Mississippi Gulf									
Wheat	42	74	57	4,598	4,259	108	126	98	5,031
Corn	372	364	102	15,663	20,955	75	69	68	26,267
Soybeans	677	554	122	14,768	12,138	122	174	137	19,262
Total	**1,091**	**992**	**110**	**35,029**	**37,352**	**94**	**106**	**96**	**50,560**
Texas Gulf									
Wheat	17	151	11	5,007	9,723	51	91	75	10,837
Corn	0	6	0	336	810	41	n/a	7	1,021
Soybeans	94	65	145	164	763	21	n/a	149	926
Total	**111**	**223**	**50**	**5,507**	**11,296**	**49**	**120**	**77**	**12,784**
Interior									
Wheat	27	8	339	967	917	105	182	128	1,110
Corn	66	72	92	5,476	5,575	98	92	73	7,509
Soybeans	172	94	183	3,348	3,177	105	68	132	4,273
Total	**266**	**174**	**153**	**9,791**	**9,669**	**101**	**95**	**102**	**12,892**
Great Lakes									
Wheat	19	38	50	352	867	41	108	38	1,038
Corn	0	0	n/a	56	159	35	0	0	178
Soybeans	50	70	72	269	101	266	153	84	382
Total	**69**	**107**	**64**	**677**	**1,127**	**60**	**113**	**52**	**1,598**
Atlantic									
Wheat	28	0	n/a	341	651	52	949	121	686
Corn	0	0	n/a	134	204	66	139	17	295
Soybeans	14	1	1,703	647	522	124	78	108	1,042
Total	**41**	**1**	**5,070**	**1,121**	**1,378**	**81**	**182**	**63**	**2,022**
U.S. total from ports[2]									
Wheat	191	361	53	22,143	28,001	79	92	79	32,697
Corn	444	442	100	26,674	34,741	77	68	61	44,466
Soybeans	1,576	1,246	126	26,228	21,139	124	176	142	33,205
Total	**2,211**	**2,049**	**108**	**75,045**	**83,880**	**89**	**110**	**94**	**110,369**

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

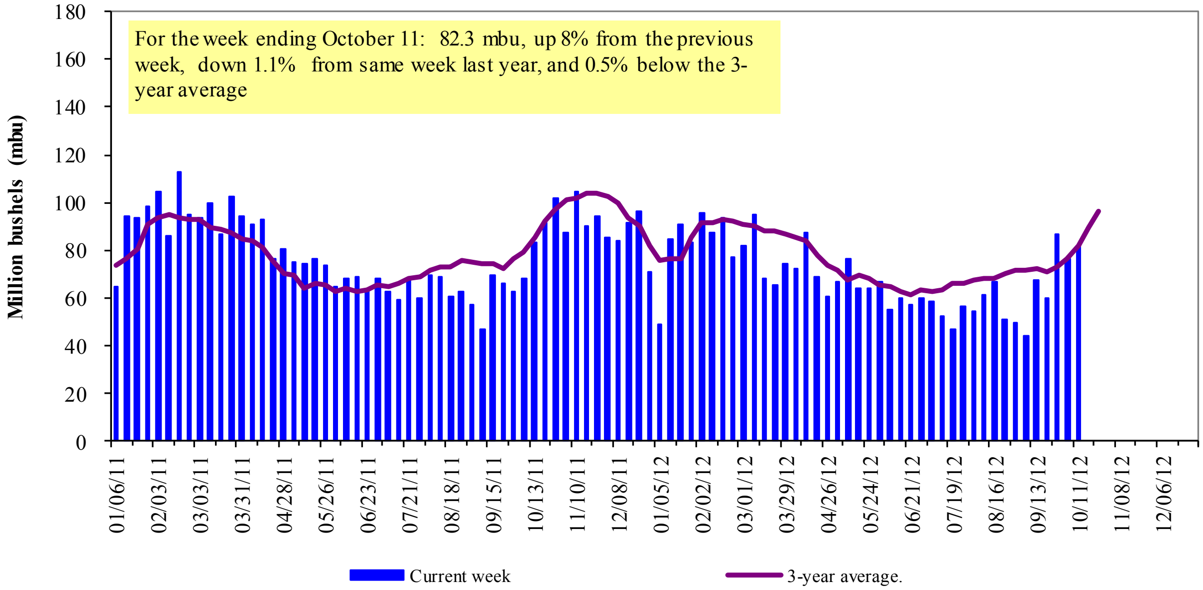
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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)

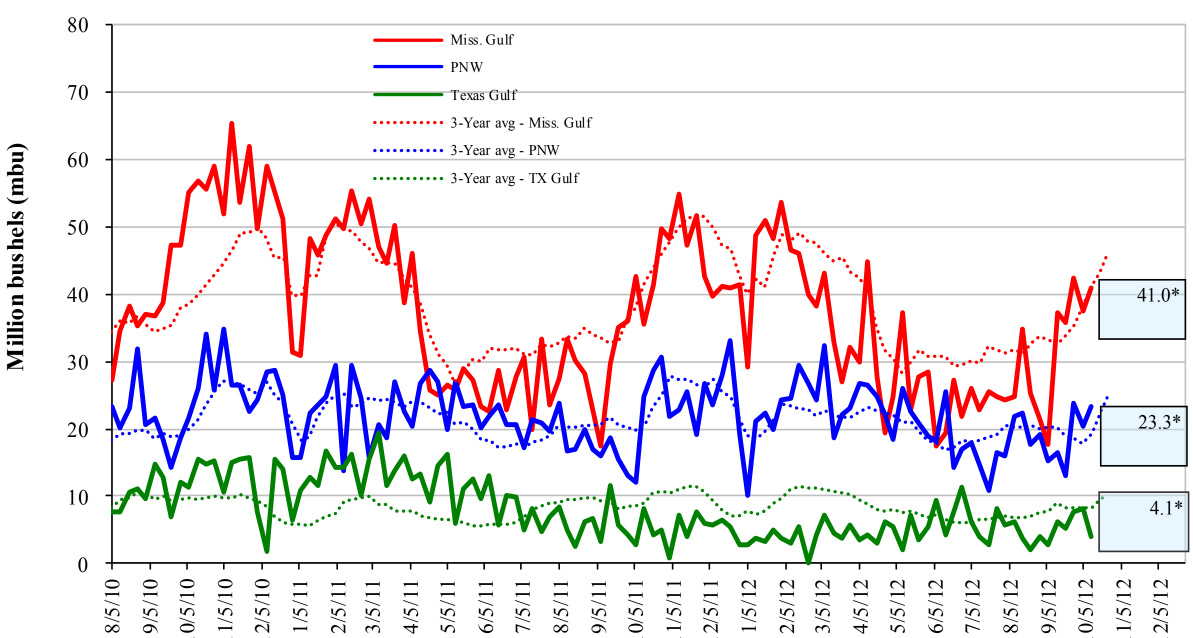


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

October 11 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 10	down 50	down 1	up 15
Last year (same week)	up 16	down 50	up 3.3	down 6
3-yr avg. (4-wk mov. avg.)	up 0.7	down 51	down 9	down 11

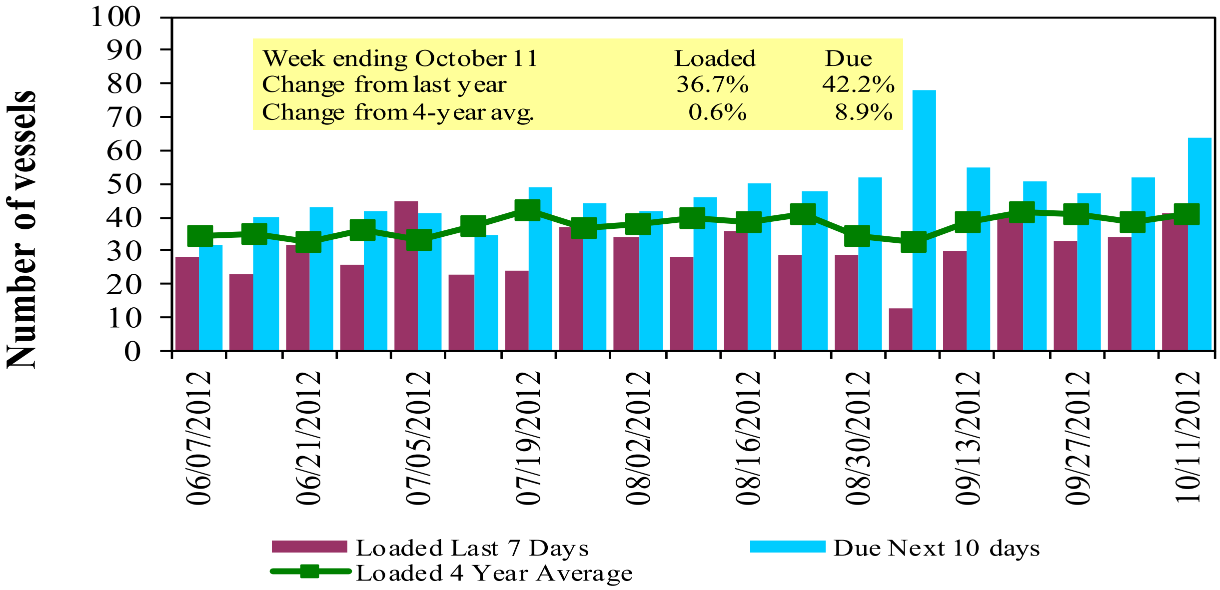
Ocean Transportation

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
10/11/2012	50	41	64	12	n/a
10/4/2012	48	34	52	10	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

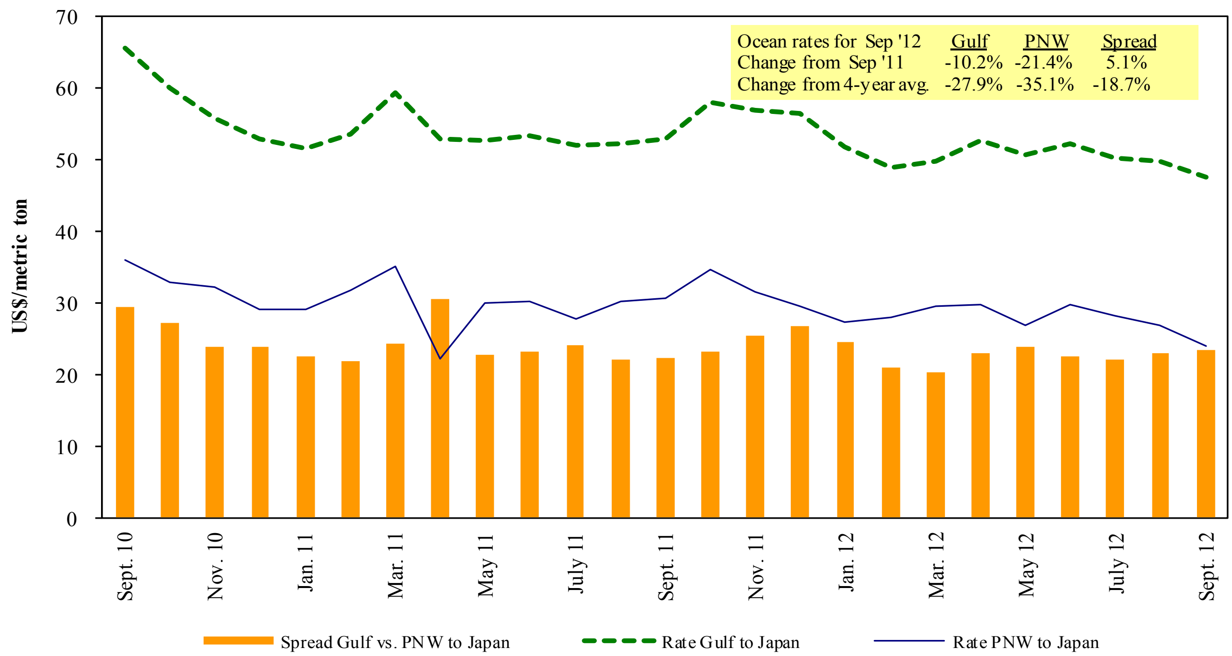
Figure 16
U.S. Gulf[1] Vessel Loading Activity



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 10/13/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Nov 5/10	55,000	46.00
U.S. Gulf	China	Heavy Grain	Oct 20/30	55,000	43.75
U.S. Gulf	China	Heavy Grain	Oct 15/24	5,500	43.00
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
India	S.Korea	Wheat	Oct5/15	55,000	15.00
Mexico	Turkey	Wheat	Sep 10/25	55,000	24.75
River Plate	Tunisia	Heavy Grain	Oct 5/15	30,000	28.50
River Plate	Tunisia	Soybean Meal	Sep 1/10	25,000	36.00

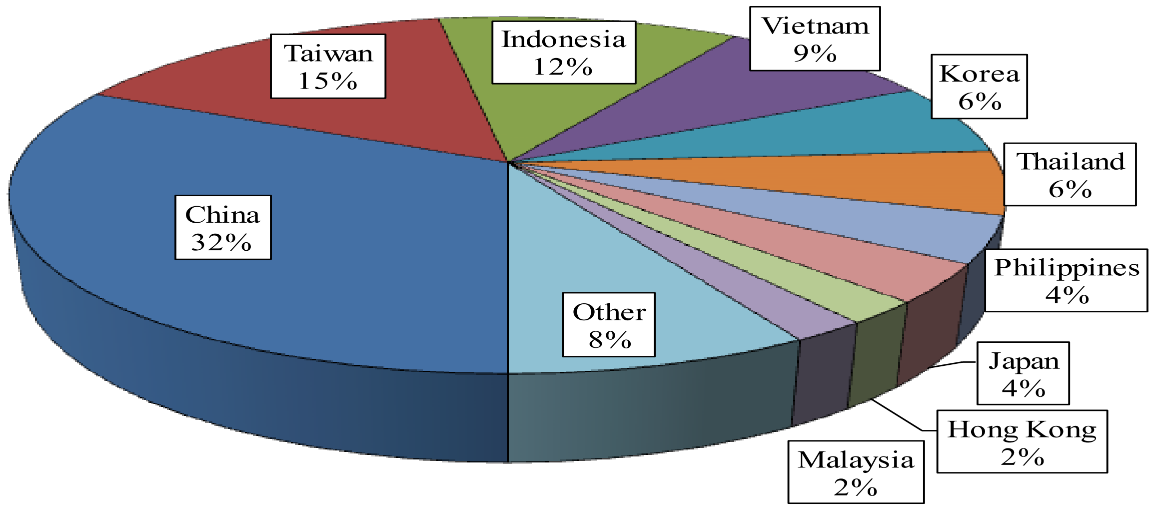
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]75 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 in containers, up 4 percentage points from 2010. Asia is the top destination for U.S. containerized grain exports—96 percent in 2011.

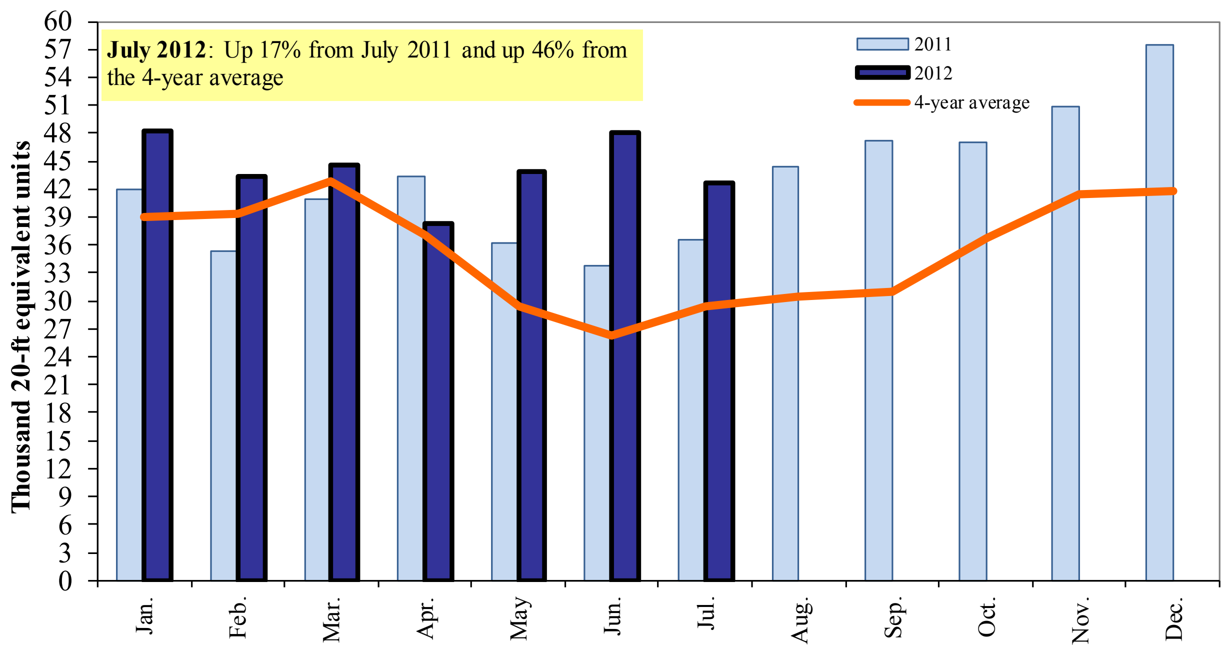
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, July 2012



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.

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