



Grain Transportation Report

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

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November 6, 2014

WEEKLY HIGHLIGHTS

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USDA Files Comments with STB on Railroad Revenue Adequacy

On November 4, [USDA filed reply comments](#) with the Surface Transportation Board (STB) recommending that railroads' ability to charge higher prices to shippers without competitive alternatives (captive shippers) should be lessened in an environment where railroads are revenue adequate. While railroads serving competitive traffic can price those services as the market allows, USDA believes captive shippers, many of which are grain shippers, deserve additional protection against the market power of revenue-adequate railroads. In the comments, USDA said one way to accomplish this goal is through developing simplified rate challenge procedures that factor in whether the railroad is revenue-adequate.

Prolonged Negotiations Lead to Work Slowdowns at Some West Coast Ports

After nearly 6 months of ongoing negotiations, the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) have yet to agree to a new labor contract for the nearly 20,000 dockworkers at 26 ports along the U.S. West Coast. On Monday, the PMA announced the ILWU had initiated orchestrated slowdowns at the Pacific Northwest ports of Seattle and Tacoma, severely impacting many of the largest terminals during the peak holiday shipping season. Without a new contract in place or an extension of the old contract, there are no grievance procedures in place to address the slowdowns. West Coast ports handle approximately 75 percent of containerized grain exports, and 10 percent flow through Seattle and Tacoma.

Grain Barge Movements Above Average

As of November 1, year-to-date grain barge tonnages are 13 percent higher than the 5-year average and the highest since 2010. Current river conditions are adequate for navigation but a drop in levels may cause shoaling situations where dredging is needed. At present, there are dredging delays at Mississippi River Locks 27 (near St. Louis). Dredging is being conducted nightly with limited passage at Locks 27 during dredging operations. Dredging operations are expected to be completed by November 9. Barge rates remain above average in early November, with the highest rates in the Mississippi River Locks 15 area, near Davenport, IA, where rates are about \$46.71 per ton for export bound grain (70 percent higher than the 5-year average).

Weekly Soybean Inspections Reach Record Level

For the week ending October 30, [inspections of soybeans](#) from all major export regions reached a record 2.83 million metric tons (mmt), up 25 percent from the past week and 30 percent above the same time last year. Soybean inspections accounted for 82 percent of total grain inspections and were shipped primarily to China. Inspections of soybeans jumped 31 percent in the Mississippi Gulf, to a record 1.58 mmt. Inspections of corn, however, continued to fall, decreasing 42 percent from the previous week. The December futures contract prices remained lower than the March contract prices, causing producers to store more of the newly-harvested corn than soybeans. Soybeans November futures contract prices were above the January contract prices, indicating strong nearterm demand. Wheat inspections were down 4 percent from the past week. [Total inspections of grain](#) (corn, wheat, soybeans) totaled 3.46 mmt, up 8 percent from the past week, up 8 percent from last year, and 33 percent above the 3-year average.

Snapshots by Sector

Rail

U.S. railroads originated 22,361 [carloads of grain](#) during the week ending October 25, up 2 percent from last week, down 11 percent from last year, and 2 percent above the 3-year average.

During the week ending October 30, average November non-shuttle [secondary railcar bids/offers per car](#) were \$1,100 above tariff, up \$300 from last week and \$192 higher than last year. Average shuttle bids/offers per car were \$975 above tariff, down \$917 from last week and \$721 lower than last year.

Barge

During the week ending November 1 [barge grain movements](#) totaled 838,470 tons—13.8 percent higher than the previous week but 2 percent lower than the same period last year.

During the week ending November 1, 536 grain barges [moved down river](#), up 13.6 percent from last week; 882 grain barges were [unloaded in New Orleans](#), up 2.8 percent from the previous week.

Ocean

During the week ending October 30, 45 [ocean-going grain vessels](#) were loaded in the Gulf, 2 percent more than the same period last year. Sixty-five vessels are expected to be loaded within the next 10 days, 18 percent less than the same period last year.

During the week ending October 31, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$46 per mt, unchanged from the previous week. The cost of shipping from the PNW to Japan was \$25.50 per mt, up 4 percent from the previous week.

Fuel

During the week ending November 3, U.S. average [diesel fuel prices](#) decreased 1 cent from the previous week to \$3.62 per gallon—down 23 cents from the same week last year.

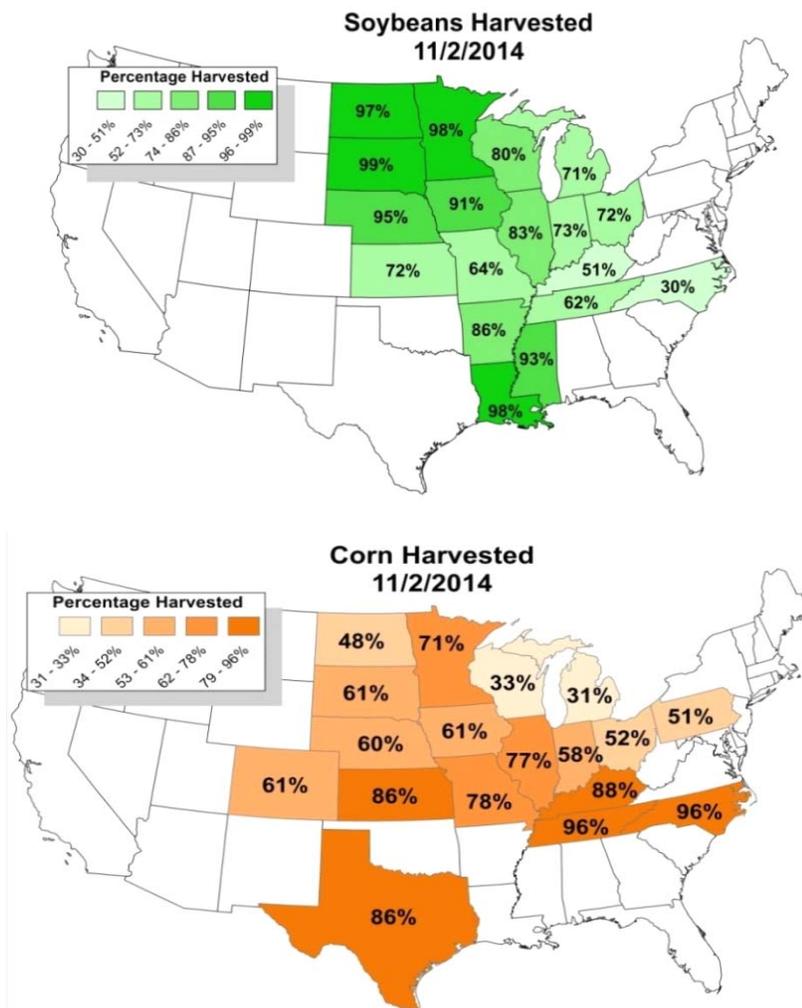
HARVEST PROGRESS AND FALL RIVER TRANSPORTATION OUTLOOK

Soybeans Continue to Dominate Fall Barge Traffic; Corn Shipments May Increase Early Next Year

As of November 2, 65 percent of the U.S. corn harvest has been completed, 8 percentage points behind the 5-year average. The soybean harvest is 83 percent completed, equaling the 5-year average. The soybean harvest is providing much of the cargo for downbound barges on the Mississippi, Ohio, and Arkansas Rivers. Data provided by the U.S. Army Corps of Engineers show that for the week ending November 1, soybeans represented about 82 percent of downbound grain tonnages; corn was 15 percent. Based on the 5-year average, soybeans are 50 percent and corn is 47 percent of the total downbound tonnages during the fourth quarter. The Illinois corn harvest is 77 percent complete, one point behind the average pace. Iowa corn is 61 percent harvested, 14 points behind the average pace. Barge operators have indicated that corn shipments are expected to pick up early next year.

Soybean Harvest Progress Improves in Key States

Of the top three soybean producing States, growers in Illinois have harvested 83 percent of the soybean crop, 1 point behind the average. Iowa growers have harvested 91 percent of the crop, a point higher than average. In Minnesota, 98 percent of the soybeans have been harvested, 7 points ahead of the average pace. These three States produce 35 percent of the nation's soybeans and portions of each State have access to river transportation.

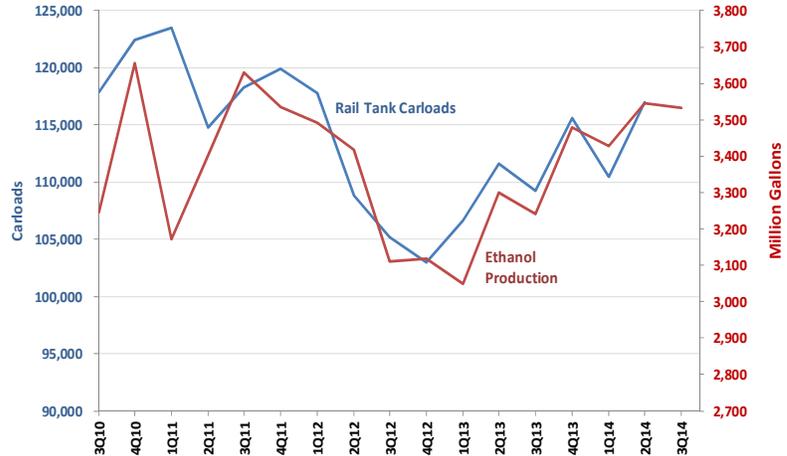


Source: USDA, National Agricultural Statistics Service, Crop Progress

Ethanol Transportation Update

Ethanol production in the United States has gradually recovered to the pre-2012 drought levels. Reduced corn supplies and the resulting high corn prices dampened ethanol production and movements through 2012 and the first quarter of 2013. By the third quarter of 2014, however, quarterly ethanol production reached 3.5 billion gallons. This level of ethanol production is not quite at the peak of almost 3.7 billion gallons reached in the fourth quarter of 2010, but is well above the low of just over 3 billion gallons produced in the first quarter of 2013—the winter quarter following the worst drought in over 40 years. Figure 1 also shows that Class 1 rail movements of all alcohols (most of which consist of ethanol) have a tendency to follow a similar trend to that of ethanol production. As ethanol production increased, so did rail movements of ethanol. By the second quarter of 2014, Class I railroads moved almost 117,000 carloads of alcohols, reaching the pre-2012 drought range of 115,000-125,000 carloads moved per quarter. Rail is the main mode of transportation for shipping ethanol from the Midwest to the distant consumption areas along the coastal United States and the export ports.

Figure 1: Quarterly Rail Carloads of Alcohols and Ethanol Production

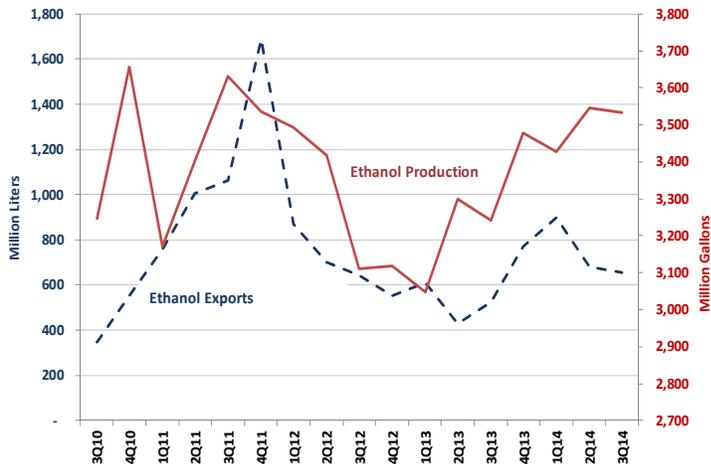


Sources: RailRateChecker.com, from Quarterly Railroad Freight Commodity Statistics submitted to the STB, 3Q'10-2Q'14; www.eia.gov, weekly ethanol production, 3Q'10-3Q'14.

The use of ethanol in the United States has been relatively stable. Ethanol exports fell sharply during the 2012 drought year due to a drop in ethanol production and began to recover in the third quarter of 2013 (see figure 2). If U.S. ethanol production increases faster than the domestic demand, exports may continue to grow. Major export destinations for U.S. ethanol include Canada, Mexico, Brazil, United Arab Emirates, Philippines, and Europe.

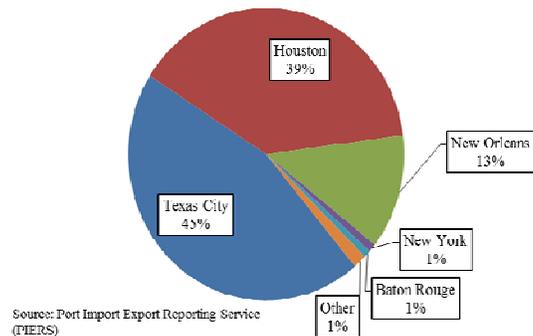
During the first 6 months of 2014, 97 percent of the U.S. waterborne ethanol exports were shipped from the U.S. Gulf ports of Houston, Texas City, and New Orleans (see figure 3). Rail transportation will continue to play a major role in moving ethanol to domestic petroleum blending terminals and export ports. Most of these destinations lie long distances away from the ethanol producing region in the Midwest. marina.denicoff@ams.usda.gov

Figure 2: Quarterly Ethanol Exports and Ethanol Production



Source for Export data: USDA/FAS, Global Agricultural Trade System online.

Figure 3: Top Ports for U.S. Waterborne Ethanol Exports, Jan-Jun, 2014



Source: Port Import Export Reporting Service (PIERS)

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
11/05/14	243	306	256	472	206	181
10/29/14	244	290	296	486	206	174

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)

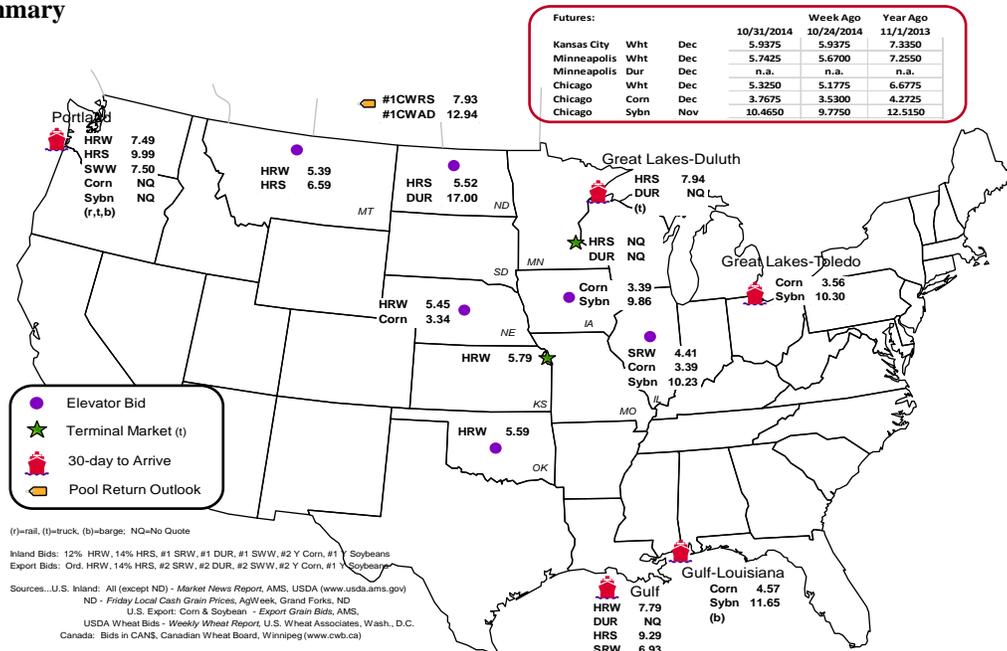
Commodity	Origin--Destination	10/31/2014	10/24/2014
Corn	IL--Gulf	-1.18	-1.06
Corn	NE--Gulf	-1.23	-1.13
Soybean	IA--Gulf	-1.79	-1.84
HRW	KS--Gulf	-2.00	-2.05
HRS	ND--Portland	-4.47	-4.70

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
	Gulf	Texas Gulf	Northwest	East Gulf			Mexico ³
10/29/2014 ^p	1,967	1,443	6,197	1,028	10,635	10/25/2014	1,851
10/22/2014 ^r	1,434	861	7,797	1,039	11,131	10/18/2014	1,658
2014 YTD ^r	29,296	69,498	197,262	22,708	318,764	2014 YTD	83,110
2013 YTD ^r	17,488	62,456	121,242	15,726	216,912	2013 YTD	56,300
2014 YTD as % of 2013 YTD	168	111	163	144	147	% change YTD	148
Last 4 weeks as % of 2013 ²	92	109	110	69	101	Last 4wks % 2013	97
Last 4 weeks as % of 4-year avg. ²	127	113	141	94	129	Last 4wks % 4 yr	105
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	70,298
Total 2012	22,604	40,780	199,419	24,659	287,462	Total 2012	92,008

¹ Data is incomplete as it is voluntarily provided

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

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

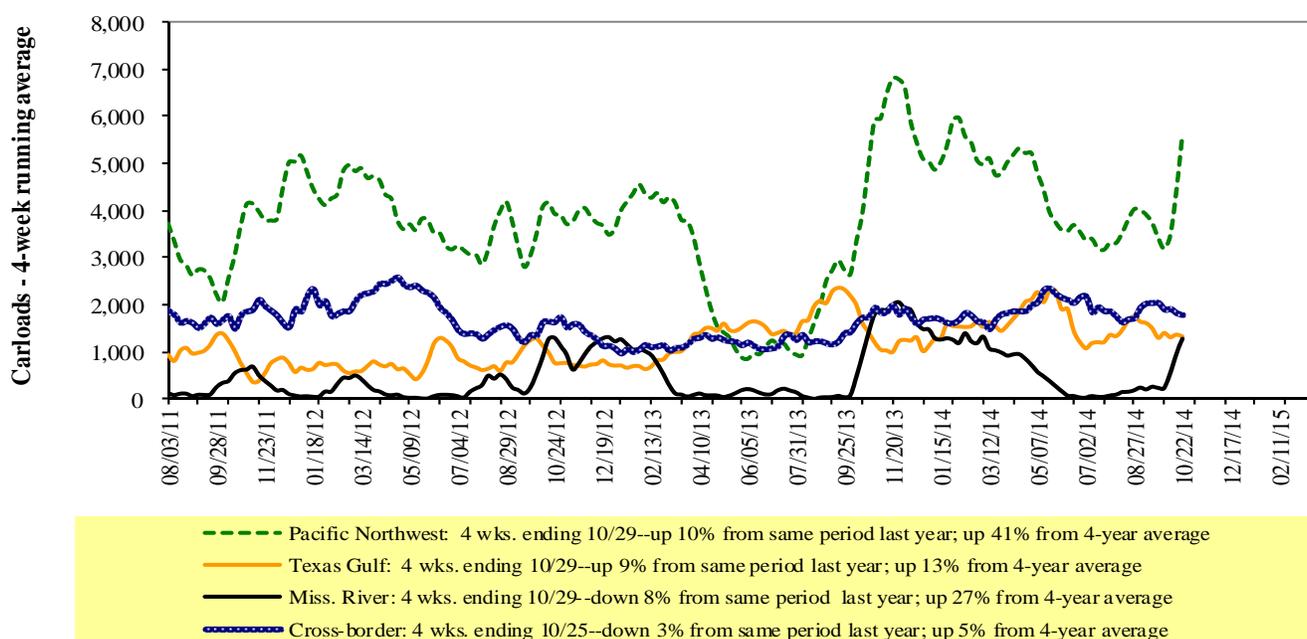
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 2

Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

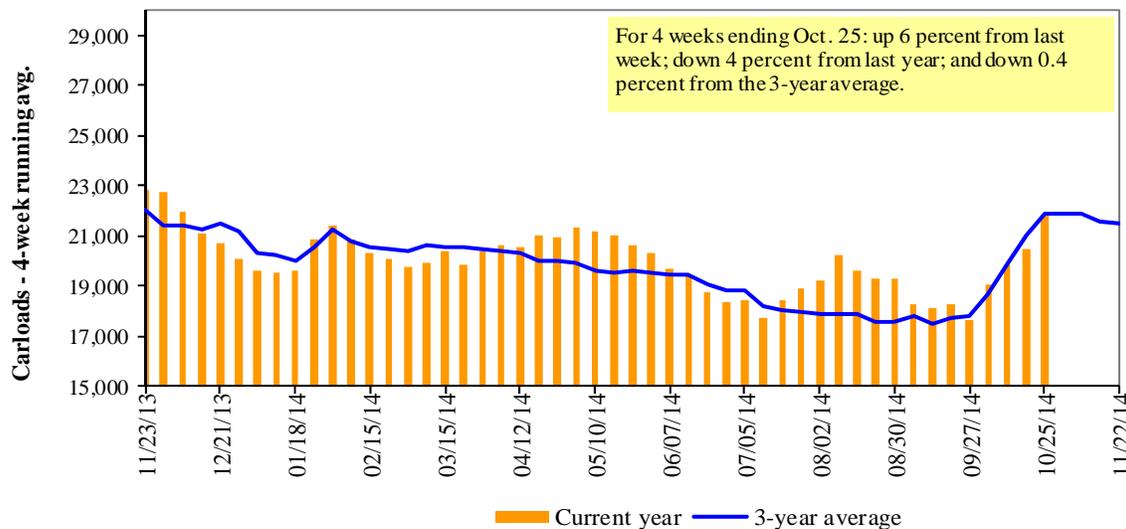
Table 4

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
10/25/14	2,528	3,065	10,216	1,144	5,408	22,361	5,548	5,368
This week last year	3,263	4,437	10,205	1,357	5,837	25,099	4,364	4,949
2014 YTD	79,013	120,756	377,797	37,919	239,493	854,978	191,663	225,787
2013 YTD	64,189	105,798	374,954	26,513	171,602	743,056	147,225	222,649
2014 YTD as % of 2013 YTD	123	114	101	143	140	115	130	101
Last 4 weeks as % of 2013	97	75	98	98	107	96	103	92
Last 4 weeks as % of 3-yr avg. ¹	110	84	94	138	109	99	113	95
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

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

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

Figure 3**Total Weekly U.S. Class I Railroad Grain Car Loadings**

Source: Association of American Railroads

Table 5

Railcar Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Nov-14	Nov-13	Dec-14	Dec-13	Jan-15	Jan-14	Feb-15	Feb-14
10/30/2014								
BNSF ³								
COT grain units	no offer	no offer	no offer	no offer	no offer	219	no offer	163
COT grain single-car ⁵	no offer	no offer	no offer	no offer	no offer	25 .. 133	no offer	2 .. 83
UP ⁴								
GCAS/Region 1	no offer	26	no offer	1	no offer	no bids	n/a	n/a
GCAS/Region 2	no offer	201	no offer	1	no offer	no bids	n/a	n/a

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

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

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

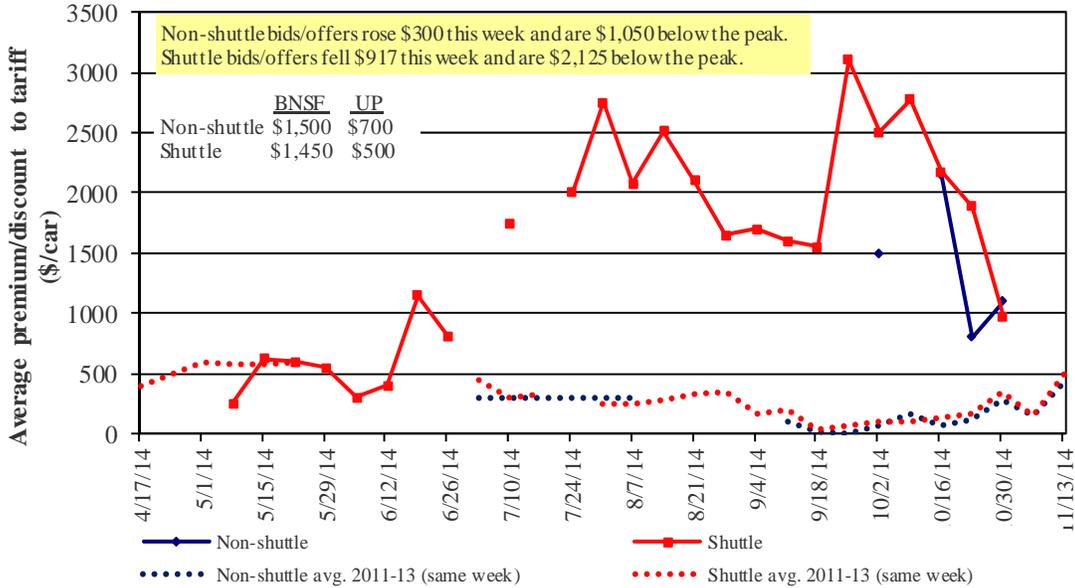
⁵Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

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

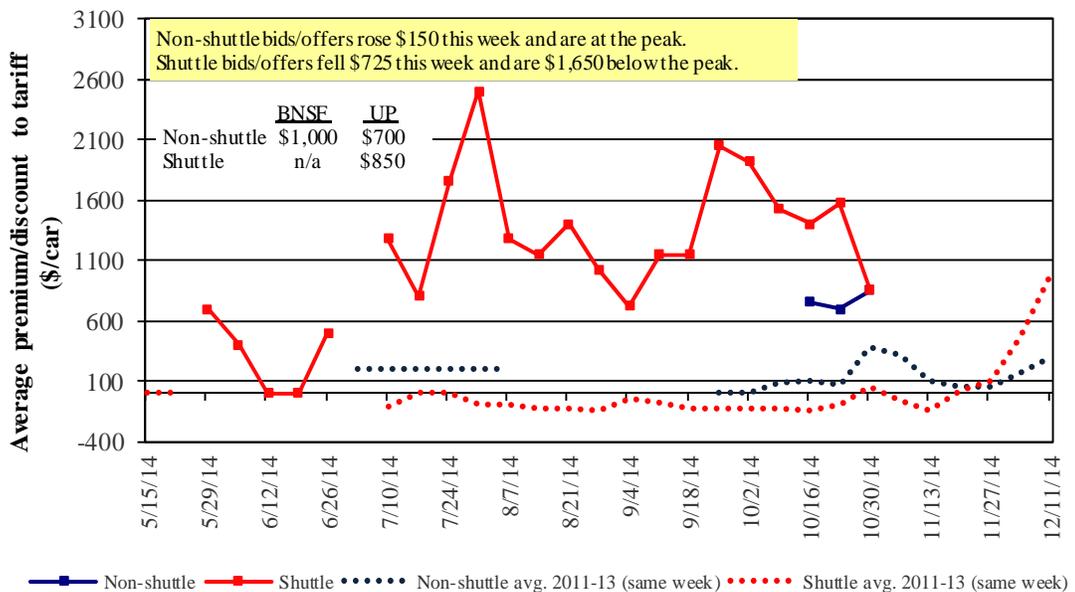


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

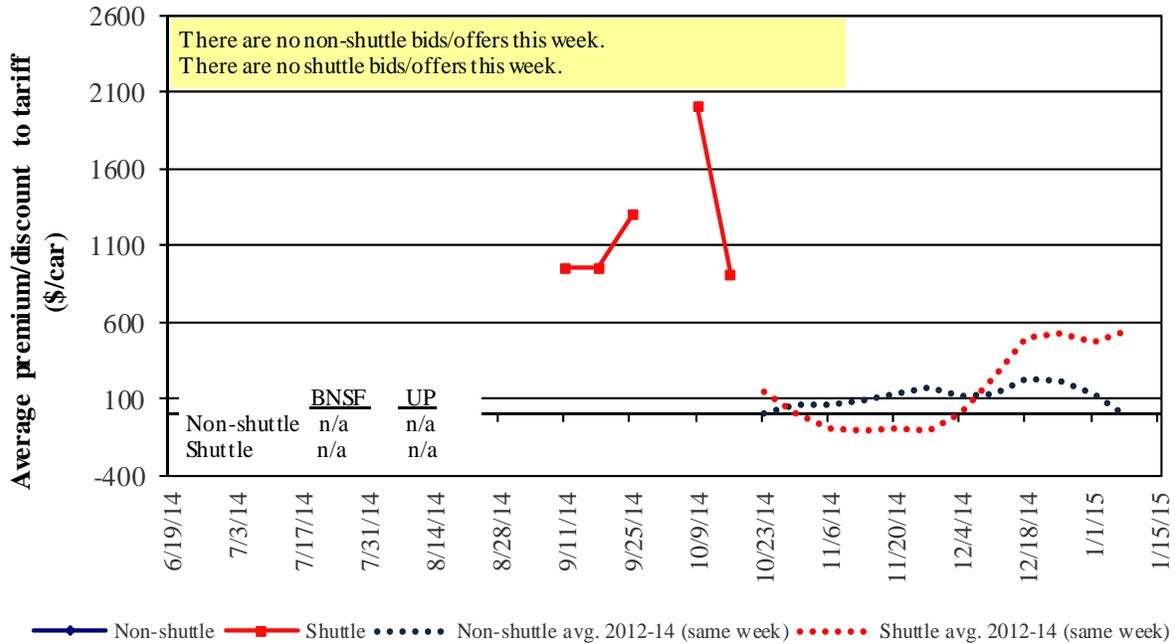


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in January 2015, 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					
	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
Non-shuttle						
BNSF-GF	1,500	1,000	n/a	n/a	n/a	n/a
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	(117)	(175)	n/a	n/a	n/a	n/a
UP-Pool	700	700	n/a	n/a	n/a	n/a
Change from last week	(100)	-	n/a	n/a	n/a	n/a
Change from same week 2013	500	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	1,450	n/a	n/a	n/a	n/a	n/a
Change from last week	(883)	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	(1,067)	n/a	n/a	n/a	n/a	n/a
UP-Pool	500	850	n/a	n/a	n/a	n/a
Change from last week	(950)	(300)	n/a	n/a	n/a	n/a
Change from same week 2013	(375)	600	n/a	n/a	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 James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:		Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
11/1/2014	metric ton					bushel ²		
Unit train								
Wheat	Wichita, KS	St. Louis, MO	\$3,387	\$172	\$35.34	\$0.96	5	
	Grand Forks, ND	Duluth-Superior, MN	\$3,596	\$98	\$36.69	\$1.00	0	
	Wichita, KS	Los Angeles, CA	\$6,244	\$505	\$67.02	\$1.82	-1	
	Wichita, KS	New Orleans, LA	\$4,026	\$303	\$42.99	\$1.17	4	
	Sioux Falls, SD	Galveston-Houston, TX	\$5,824	\$414	\$61.95	\$1.69	-1	
	Northwest KS	Galveston-Houston, TX	\$4,293	\$332	\$45.92	\$1.25	4	
	Amarillo, TX	Los Angeles, CA	\$4,492	\$461	\$49.19	\$1.34	3	
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,328	\$342	\$36.45	\$0.93	3	
	Toledo, OH	Raleigh, NC	\$4,875	\$390	\$52.28	\$1.33	3	
	Des Moines, IA	Davenport, IA	\$2,168	\$72	\$22.25	\$0.57	4	
	Indianapolis, IN	Atlanta, GA	\$4,211	\$293	\$44.72	\$1.14	3	
	Indianapolis, IN	Knoxville, TN	\$3,593	\$188	\$37.54	\$0.95	3	
	Des Moines, IA	Little Rock, AR	\$3,308	\$213	\$34.96	\$0.89	2	
	Des Moines, IA	Los Angeles, CA	\$5,365	\$620	\$59.43	\$1.51	1	
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,699	\$372	\$40.43	\$1.10	5	
	Toledo, OH	Huntsville, AL	\$3,807	\$277	\$40.55	\$1.10	2	
	Indianapolis, IN	Raleigh, NC	\$4,946	\$392	\$53.01	\$1.44	3	
	Indianapolis, IN	Huntsville, AL	\$3,499	\$188	\$36.61	\$1.00	3	
	Champaign-Urbana, IL	New Orleans, LA	\$3,974	\$342	\$42.86	\$1.17	4	
Shuttle Train								
Wheat	Great Falls, MT	Portland, OR	\$3,678	\$290	\$39.41	\$1.07	-1	
	Wichita, KS	Galveston-Houston, TX	\$3,471	\$226	\$36.71	\$1.00	-9	
	Chicago, IL	Albany, NY	\$4,140	\$365	\$44.74	\$1.22	3	
	Grand Forks, ND	Portland, OR	\$5,159	\$502	\$56.21	\$1.53	-1	
	Grand Forks, ND	Galveston-Houston, TX	\$6,084	\$522	\$65.60	\$1.79	-1	
	Northwest KS	Portland, OR	\$5,260	\$544	\$57.63	\$1.57	3	
Corn	Minneapolis, MN	Portland, OR	\$5,000	\$611	\$55.72	\$1.42	-1	
	Sioux Falls, SD	Tacoma, WA	\$4,960	\$559	\$54.81	\$1.39	-1	
	Champaign-Urbana, IL	New Orleans, LA	\$3,147	\$342	\$34.65	\$0.88	3	
	Lincoln, NE	Galveston-Houston, TX	\$3,510	\$326	\$38.09	\$0.97	-1	
	Des Moines, IA	Amarillo, TX	\$3,690	\$268	\$39.30	\$1.00	2	
	Minneapolis, MN	Tacoma, WA	\$5,000	\$606	\$55.67	\$1.41	-1	
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,400	\$627	\$49.92	\$1.27	-1	
	Sioux Falls, SD	Tacoma, WA	\$5,520	\$559	\$60.37	\$1.64	-1	
	Minneapolis, MN	Portland, OR	\$5,530	\$611	\$60.98	\$1.66	-1	
	Fargo, ND	Tacoma, WA	\$5,430	\$497	\$58.86	\$1.60	-1	
	Council Bluffs, IA	New Orleans, LA	\$4,425	\$394	\$47.86	\$1.30	4	
	Toledo, OH	Huntsville, AL	\$2,982	\$277	\$32.36	\$0.88	3	
	Grand Island, NE	Portland, OR	\$5,360	\$557	\$58.75	\$1.60	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: 11/1/2014

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surchage per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$6,760	\$531	\$74.49	\$2.03	5
	OK	Cuautitlan, EM	\$6,465	\$644	\$72.64	\$1.97	0
	KS	Guadalajara, JA	\$7,049	\$623	\$78.39	\$2.13	-15
	TX	Salinas Victoria, NL	\$3,852	\$243	\$41.84	\$1.14	29
Corn	IA	Guadalajara, JA	\$8,049	\$732	\$89.72	\$2.28	0
	SD	Celaya, GJ	\$7,656	\$694	\$85.32	\$2.17	-1
	NE	Queretaro, QA	\$7,535	\$650	\$83.64	\$2.12	2
	SD	Salinas Victoria, NL	\$5,880	\$528	\$65.47	\$1.66	-1
	MO	Tlalnepantla, EM	\$6,887	\$632	\$76.82	\$1.95	1
	SD	Torreon, CU	\$6,722	\$581	\$74.62	\$1.89	-1
Soybeans	MO	Bojay (Tula), HG	\$8,111	\$618	\$89.19	\$2.42	2
	NE	Guadalajara, JA	\$8,572	\$707	\$94.80	\$2.58	0
	IA	El Castillo, JA	\$8,855	\$690	\$97.53	\$2.65	-1
	KS	Torreon, CU	\$6,989	\$438	\$75.88	\$2.06	1
Sorghum	TX	Guadalajara, JA	\$6,953	\$452	\$75.66	\$1.92	2
	NE	Celaya, GJ	\$7,287	\$630	\$80.89	\$2.05	-1
	KS	Queretaro, QA	\$6,795	\$396	\$73.47	\$1.86	-3
	NE	Salinas Victoria, NL	\$5,500	\$464	\$60.93	\$1.55	-3
	NE	Torreon, CU	\$6,318	\$517	\$69.84	\$1.77	-1

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

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

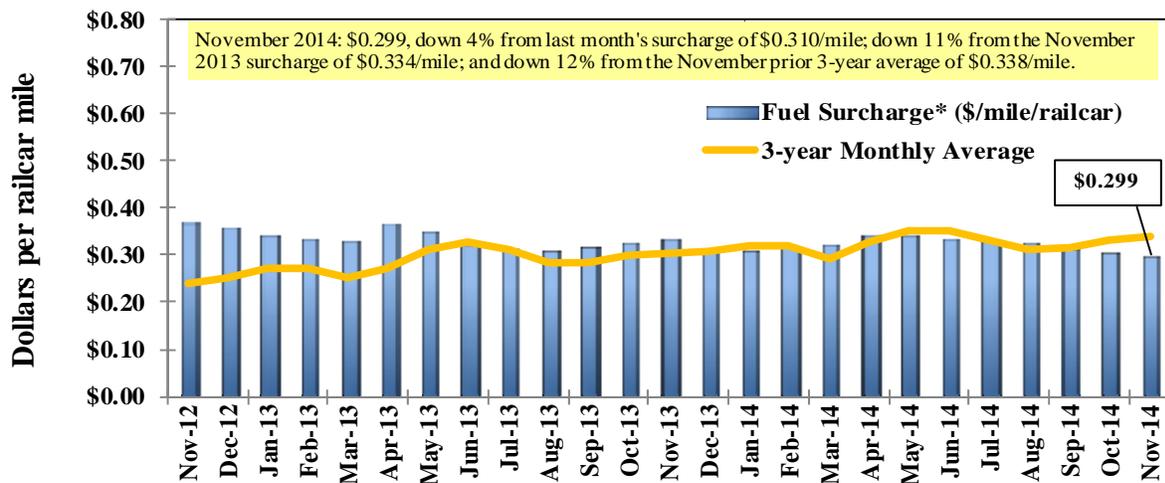
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹



¹ Weighted by each Class I railroad's proportion of grain traffic for the prior year.

* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.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	11/4/2014	725	878	850	724	894	894	629
	10/28/2014	733	925	875	783	908	908	750
\$/ton	11/4/2014	44.88	46.71	39.44	28.89	41.93	36.12	19.75
	10/28/2014	45.37	49.21	40.60	31.24	42.59	36.68	23.55
Current week % change from the same week:								
	Last year	44	61	46	34	55	55	38
	3-year avg. ²	30	62	54	41	60	60	36
Rate¹	December	-	-	615	490	544	544	428
	February	-	-	541	438	479	479	386

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9

Benchmark tariff rates

Calculating barge rate per ton:

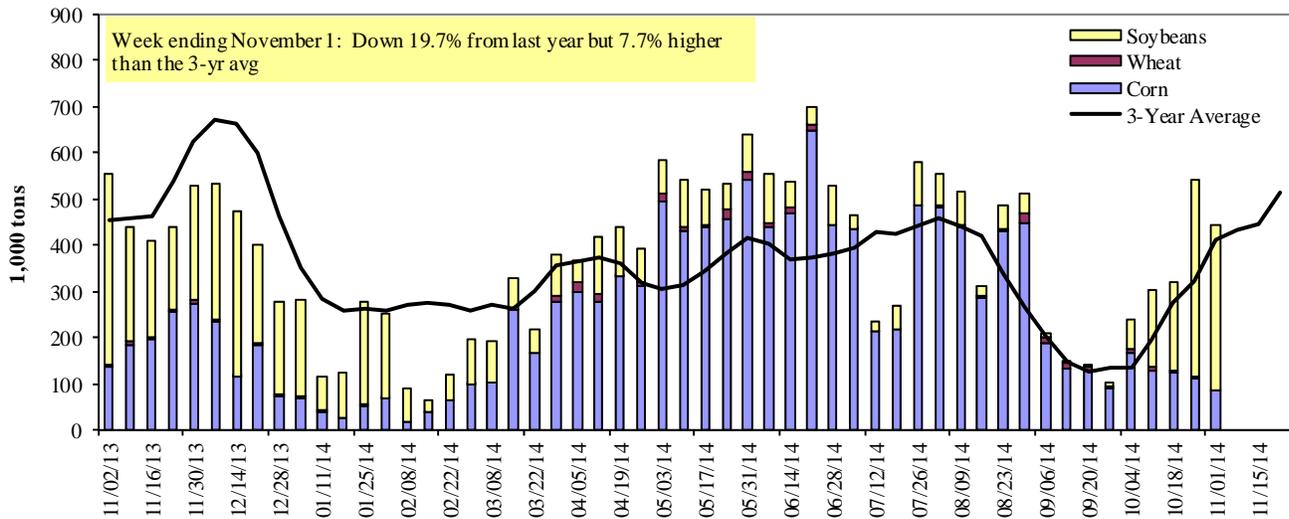
(Rate * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map.



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 11/01/2014	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	30	0	182	17	230
Winfield, MO (L25)	39	0	297	19	355
Alton, IL (L26)	80	0	365	19	464
Granite City, IL (L27)	88	0	357	19	463
Illinois River (L8)	27	0	56	0	83
Ohio River (L52)	32	2	285	0	319
Arkansas River (L1)	0	7	50	0	57
Weekly total - 2014	120	9	691	19	838
Weekly total - 2013	218	23	611	5	857
2014 YTD ¹	18,011	2,101	7,387	216	27,716
2013 YTD	6,942	3,948	6,550	187	17,628
2014 as % of 2013 YTD	259	53	113	116	157
Last 4 weeks as % of 2013 ²	87	47	106	70	97
Total 2013	9,504	4,111	10,065	255	23,935

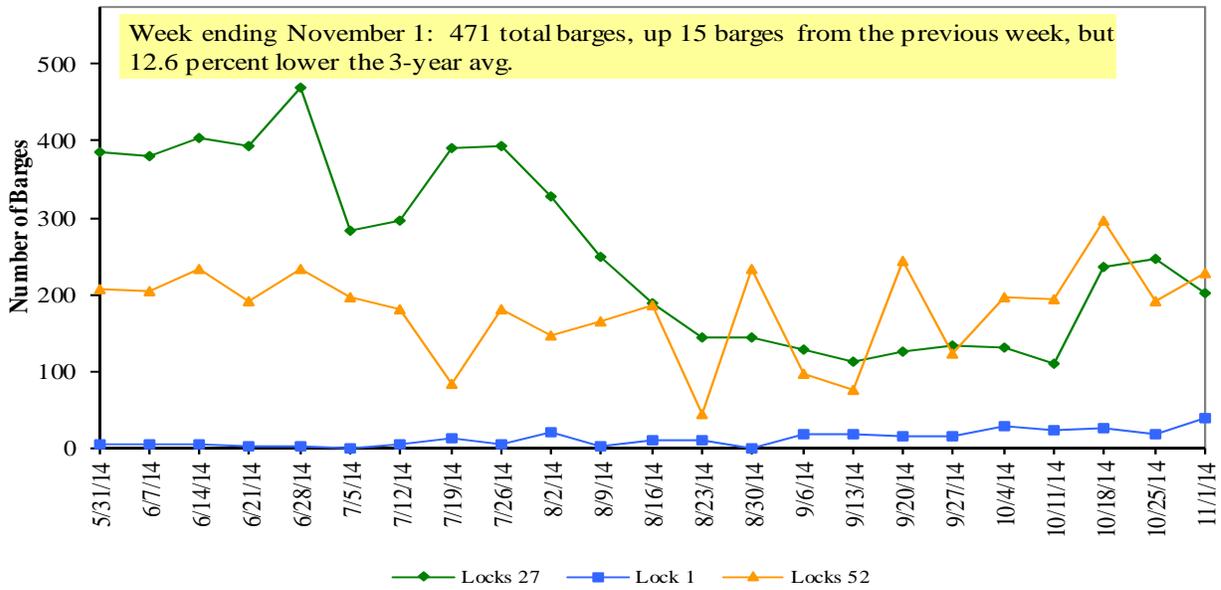
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

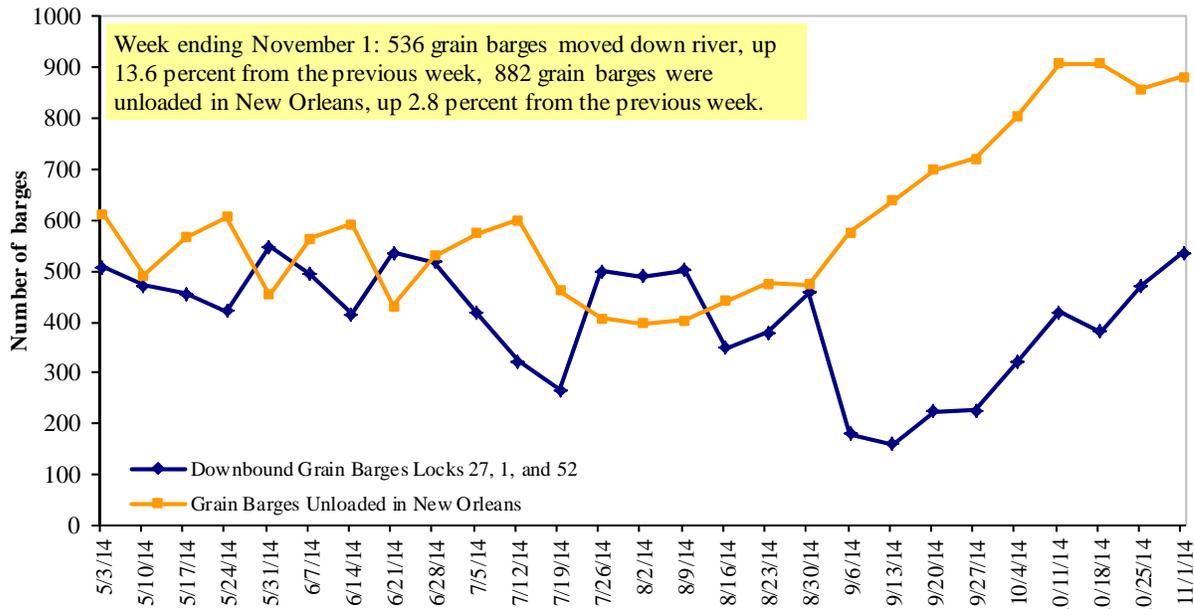
Source: U.S. Army Corps of Engineers

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



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 11/03/2014 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.597	-0.030	-0.281
	New England	3.687	-0.037	-0.321
	Central Atlantic	3.655	-0.038	-0.283
	Lower Atlantic	3.533	-0.022	-0.275
II	Midwest ²	3.624	0.013	-0.202
III	Gulf Coast ³	3.532	-0.031	-0.237
IV	Rocky Mountain	3.713	-0.001	-0.144
V	West Coast	3.789	-0.010	-0.226
	West Coast less California	3.704	-0.002	-0.219
	California	3.861	-0.015	-0.231
Total	U.S.	3.623	-0.012	-0.234

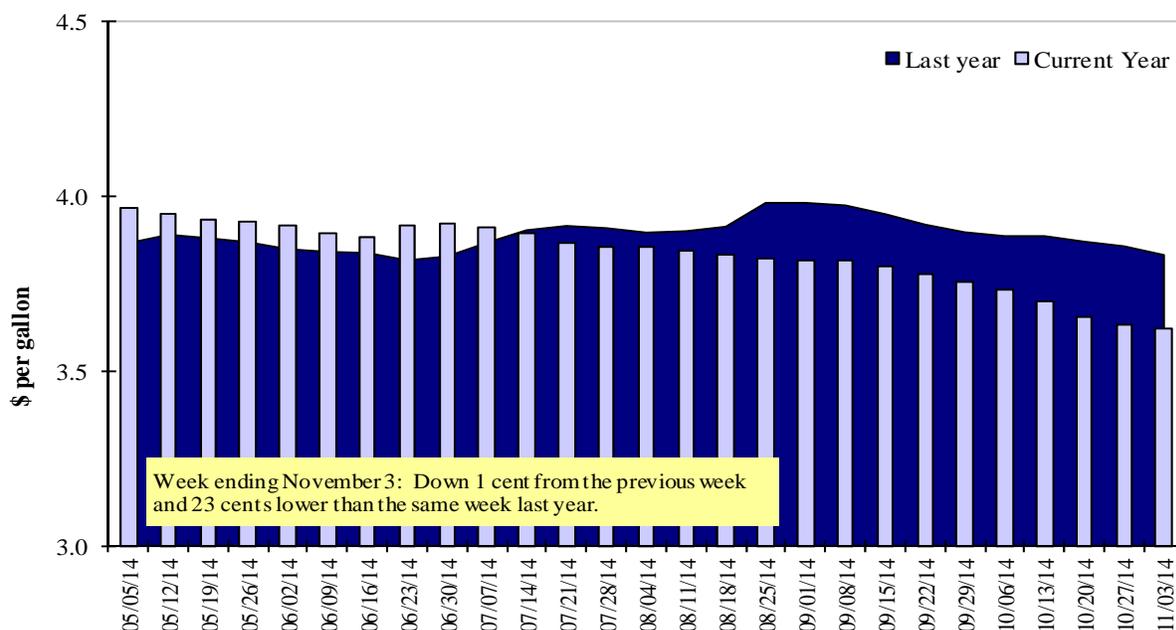
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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					All wheat	Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR				
Export Balances¹									
10/23/2014	1,559	929	1,351	794	84	4,717	12,279	26,581	43,577
This week year ago	1,630	1,140	1,322	957	72	5,120	16,105	25,287	46,512
Cumulative exports-marketing year²									
2014/15 YTD	3,351	1,876	3,314	1,646	235	10,421	6,463	7,519	24,403
2013/14 YTD	6,065	4,837	2,502	1,790	178	15,371	4,428	6,942	26,741
YTD 2014/15 as % of 2013/14	55	39	132	92	132	68	146	108	91
Last 4 wks as % of same period 2013/14	93	79	104	81	138	91	75	107	94
2013/14 Total	11,465	7,307	6,338	4,367	486	29,963	46,868	44,478	121,309
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293

¹ Current unshipped export sales to date

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

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

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

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 10/23/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 3-year avg 2011-2013
	2014/15 Current MY	2013/14 Last MY		
- 1,000 mt -				
Japan	3,281	3,075	7	10,079
Mexico	5,015	5,863	(14)	8,145
Korea	549	10	5,678	2,965
Colombia	1,575	833	89	3,461
Taiwan	295	284	4	1,238
Top 5 Importers	10,715	10,064	6	25,887
Total US corn export sales	18,742	20,354	(8)	34,445
% of Projected	42%	42%		
Change from prior week*	490	4,376		
Top 5 importers' share of U.S. corn export sales	57%	49%		75%
USDA forecast, October 2014	44,450	48,700	(9)	
Corn Use for Ethanol USDA forecast, October 2014	130,175	130,302	(0.1)	

(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 Ranking Reports - http://apps.fas.usda.gov/export-sales/myrkaug.htm; 3-yr average

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 10/23/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg. 2011-13
	2014/15 Current MY	2013/14 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	20,654	20,090	3	24,211
Mexico	1,212	1,086	12	2,971
Indonesia	716	668	7	1,895
Japan	687	713	(4)	1,750
Taiwan	794	758	5	1,055
Top 5 importers	24,062	23,315	3	31,882
Total US soybean export sales	34,100	32,229	6	39,169
% of Projected	74%	72%		
Change from prior week*	1,326	4,742		
Top 5 importers' share of U.S. soybean export sales	71%	72%		81%
USDA forecast, October 2014	46,270	44,820	3	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--<http://www.fas.usda.gov/esrquery/>³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

*No Data during the Federal Government Lapse in Funding, October 1-23, 2013.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 10/23/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2011-2013
	2014/15 Current MY	2013/14 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	1,701	1,454	17	3,243
Mexico	1,650	1,913	(14)	3,066
Nigeria	1,652	1,568	5	2,960
Philippines	1,306	1,122	16	2,006
China	205	4,025	(95)	1,830
Brazil	1,495	3,122	(52)	1,617
Korea	860	831	3	1,552
Taiwan	591	515	15	969
Indonesia	349	502	(31)	813
Colombia	394	439	(10)	610
Top 10 importers	10,201	15,490	(34)	18,665
Total US wheat export sales	15,133	20,492	(26)	27,696
% of Projected	60%	64%		
Change from prior week*	440	1,309		
Top 10 importers' share of U.S. wheat export sales	67%	76%		67%
USDA forecast, September 2014	25,170	32,010	(21)	

(n) indicates negative number.

¹ Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--<http://www.fas.usda.gov/esrquery/>³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 10/30/14	Previous Week ¹	Current Week as % of Previous	2014 YTD ¹	2013 YTD ¹	2014 YTD as % of 2013 YTD	Last 4-weeks as % of		Total ¹ 2013
							2013	3-yr. avg.	
Pacific Northwest									
Wheat	56	29	196	10,690	10,186	105	72	71	11,585
Corn	0	66	0	7,470	1,387	539	920	69	2,973
Soybeans	758	696	109	7,076	6,150	115	111	134	9,090
Total	814	790	103	25,236	17,723	142	104	115	23,647
Mississippi Gulf									
Wheat	36	58	63	4,194	8,954	47	32	45	9,711
Corn	359	556	65	27,016	11,620	232	106	135	14,828
Soybeans	1,575	1,203	131	18,062	12,894	140	134	147	21,462
Total	1,970	1,817	108	49,272	33,468	147	115	135	46,002
Texas Gulf									
Wheat	40	62	65	5,615	8,020	70	57	76	9,039
Corn	0	0	n/a	510	163	313	n/a	0	255
Soybeans	65	63	102	393	551	71	30	51	908
Total	105	125	84	6,518	8,734	75	46	67	10,203
Interior									
Wheat	26	42	62	1,327	943	141	109	248	1,244
Corn	48	72	66	4,816	2,793	172	70	59	3,943
Soybeans	235	230	102	3,188	2,564	124	98	131	3,212
Total	310	345	90	9,331	6,301	148	321	106	8,399
Great Lakes									
Wheat	55	31	178	661	680	97	688	268	884
Corn	6	14	45	275	0	n/a	n/a	1,515	0
Soybeans	118	30	388	359	328	109	108	128	699
Total	179	76	237	1,295	1,009	128	163	168	1,583
Atlantic									
Wheat	0	0	n/a	546	641	85	n/a	300	645
Corn	2	8	21	816	191	428	89	178	242
Soybeans	80	48	167	1,142	836	137	100	121	1,652
Total	82	56	147	2,504	1,667	150	109	150	2,540
U.S. total from ports²									
Wheat	214	222	96	23,033	29,424	78	70	81	33,108
Corn	415	716	58	40,903	16,154	253	98	118	22,241
Soybeans	2,831	2,271	125	30,220	23,323	130	119	137	37,024
Total	3,460	3,209	108	94,156	68,901	137	106	123	92,373

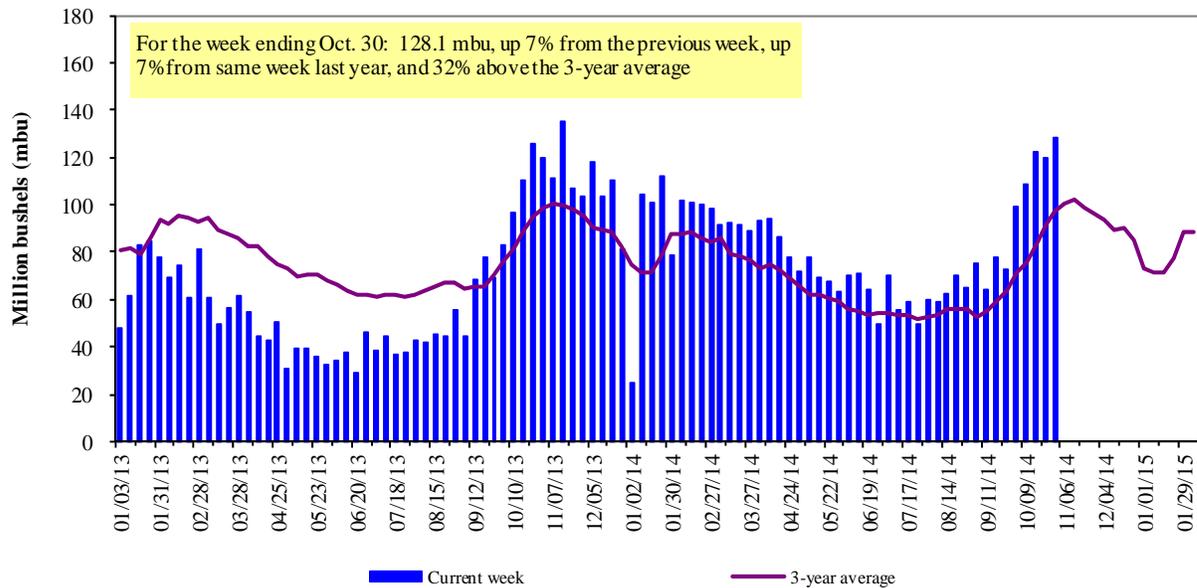
¹ Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2013.

Figure 14

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

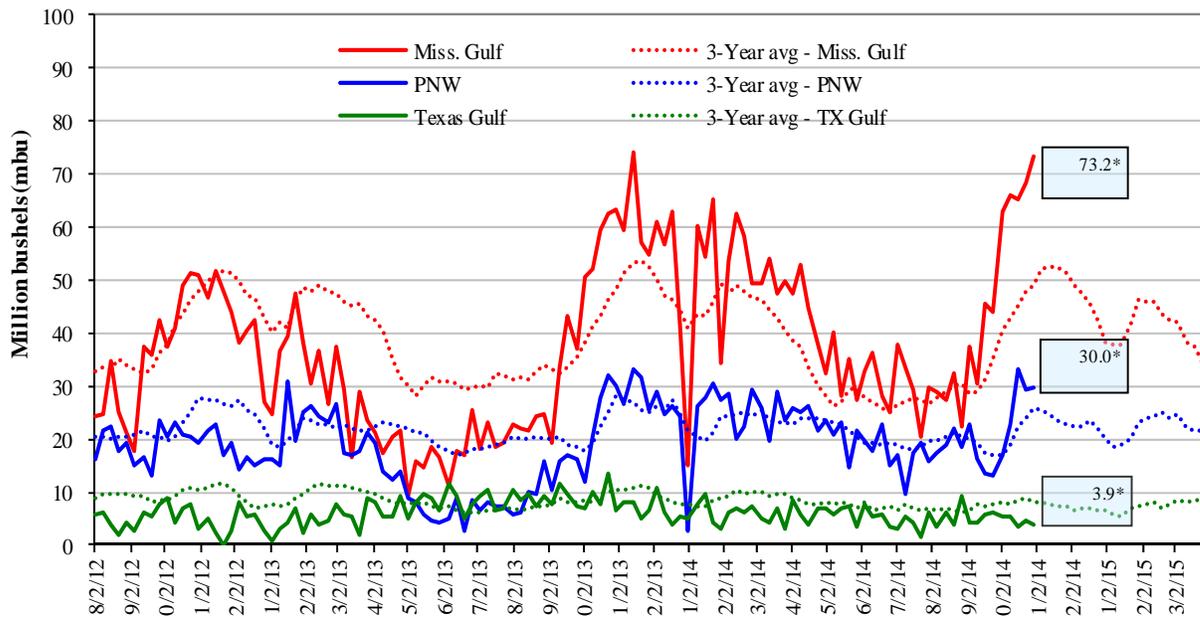


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

<u>Oct 30 : % change from</u>	<u>MS Gulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	up 8	down 16	up 6	up 2
Last year (same week)	up 16	down 40	up 11	down 1
3-yr avg. (4-wk mov. avg.)	up 415	down 41	up 36	up 26

Ocean Transportation

Table 17

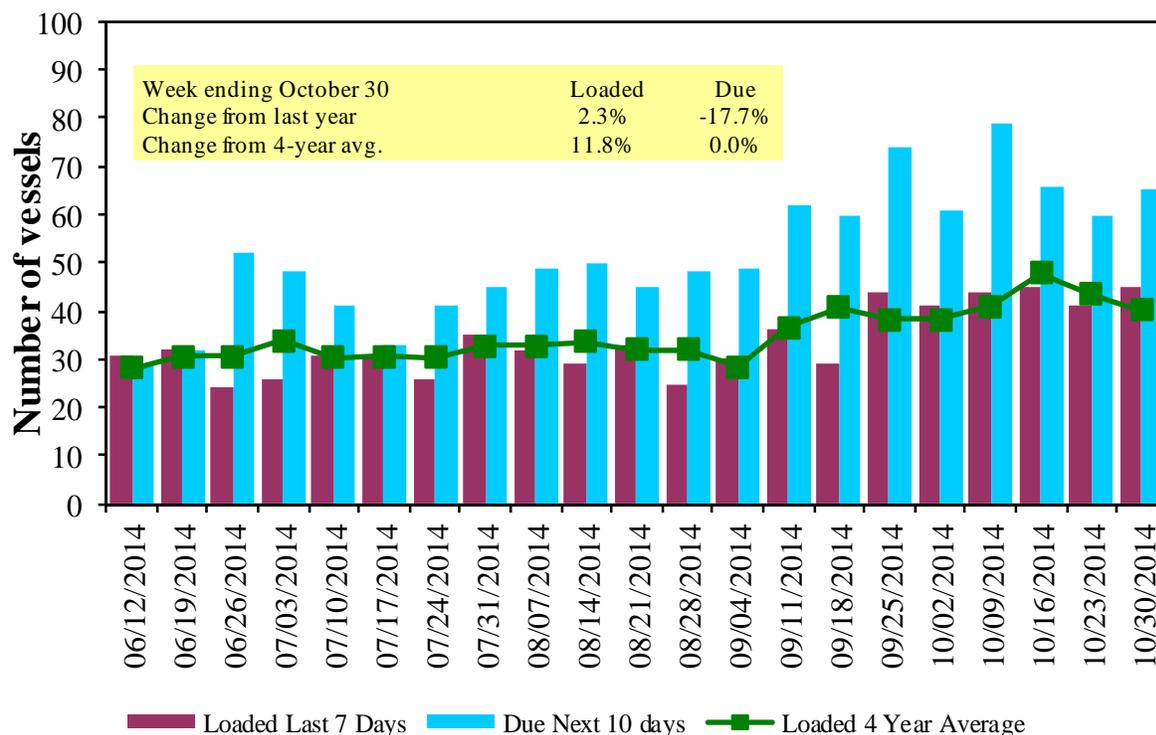
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
10/30/2014	48	45	65	14	n/a
10/23/2014	55	41	60	15	n/a
2013 range	(16..60)	(20..56)	(31..81)	(0..24)	n/a
2013 avg.	32	33	51	12	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity

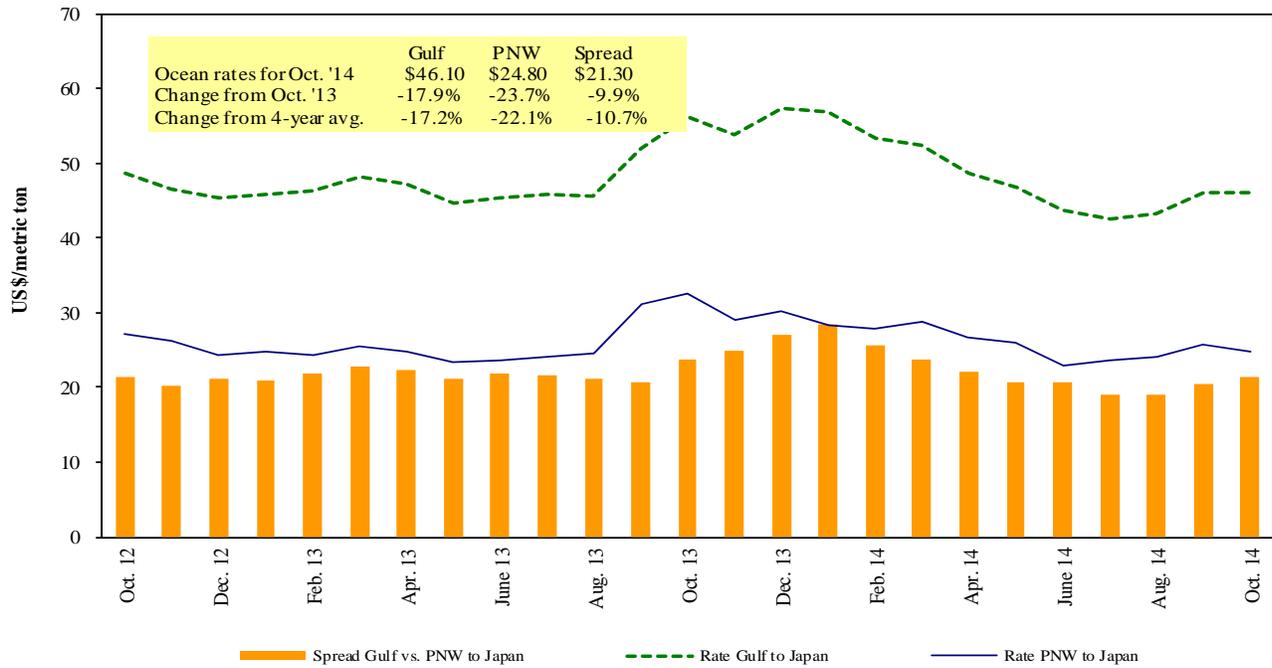


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 11/01/2014

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	44.25
U.S. Gulf	China	Heavy Grain	Nov 10/20	60,000	44.25
U.S. Gulf	China	Heavy Grain	Nov 1/8	58,000	44.50
U.S. Gulf	China	Heavy Grain	Nov 1/8	58,000	45.00
U.S. Gulf	China	Heavy Grain	Nov 5/15	60,000	45.25
U.S. Gulf	China	Heavy Grain	Nov 1/8	58,000	46.00
U.S. Gulf	China	Heavy Grain	Oct 20/30	55,000	42.15
U.S. Gulf	China	Heavy Grain	Oct 20/30	58,000	44.00
U.S. Gulf	China	Heavy Grain	Oct 18/26	53,000	44.00
U.S. Gulf	China	Heavy Grain	Oct 10/20	60,000	45.00
U.S. Gulf	China	Heavy Grain	Oct 1/10	57,000	45.50
U.S. Gulf	China	Heavy Grain	Oct 1/5	60,000	44.50
U.S. Gulf	Brazil	Wheat	Nov 8/14	25,000	22.00
U.S. Gulf	Sudan ¹	Sorghum	Nov 20/30	43,440	103.44
PNW	China	Heavy Grain	Nov 1/30	60,000	26.50
PNW	China	Grain	Oct 20/30	60,000	23.00

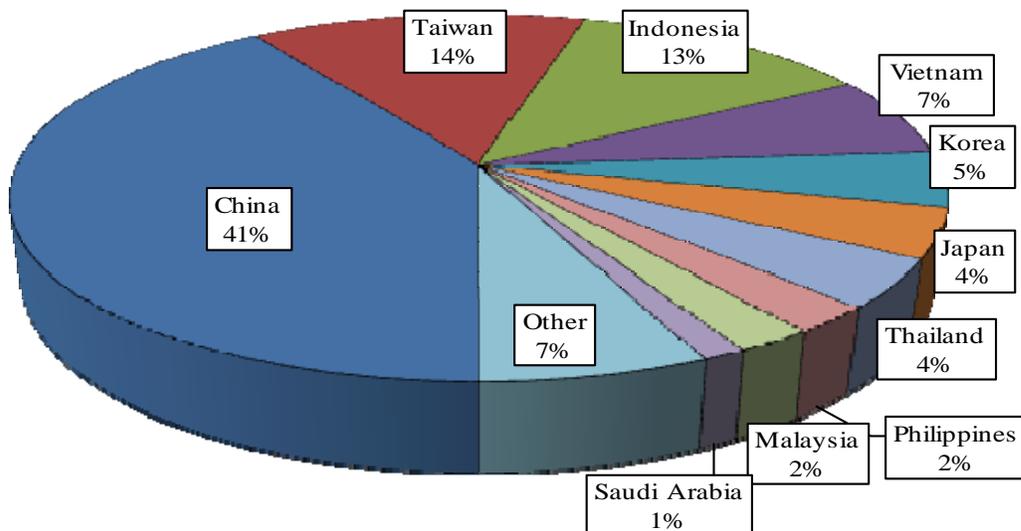
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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)

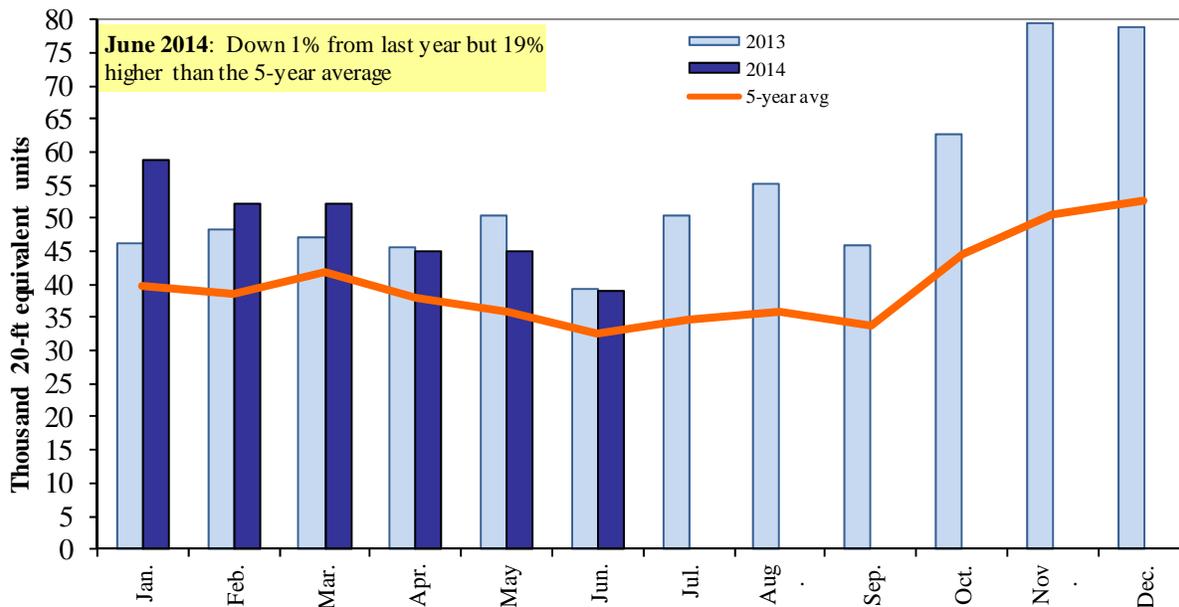
In 2013, containers were used to transport 10 percent of total U.S. waterborne grain exports, up 2 percentage points from 2012. Approximately 61 percent of U.S. waterborne grain exports in 2013 went to Asia, of which 16 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—97 percent in 2013.

Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-June, 2014



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,

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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