



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 8, 2012

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WEEKLY HIGHLIGHTS

Rain from Sandy Improving Portions of Navigation System

The U.S. Army Corps of Engineers reports that rainfall from Superstorm Sandy has temporarily increased river levels on the Lower Ohio and Lower Mississippi Rivers. Ohio River levels improved from Indiana/Illinois State line to Cairo, IL. Rising Mississippi River levels are reported in Memphis, TN, where the gage is expected to peak on November 9 at 2.9 feet, one of the few times this summer when the gage has been in the positive range. Barge rates have decreased 12 percent on the Ohio River and 31 percent on the Lower Mississippi River from the previous week.

Soybean Barge Movements Almost Double on Strong Pace of Soybean Export Sales

Barge shipments of soybeans have been much stronger than usual this fall: for the first 9 weeks of this marketing year (week ending November 3) 2.4 million tons of soybeans moved by barge—almost double the quantity shipped during the same period last year. This trend could continue in the near-term, at least until the Brazil soybean harvest and exports begin to increase in the spring. During the first two months of the 2012/13 soybean crop year (week ending October 25), total **soybean export sale** commitments reached 25.8 mmt, approximately 75 percent of the USDA crop year projected total of 34.4 mmt and 39 percent higher than at this time last year. The unshipped soybean export balances of 17.7 mmt are 34 percent higher than last year at this time. China accounted for approximately 60 percent of both total export commitments and unshipped balances. In 2010, barges moved 47 percent of soybeans destined for export and rail moved 44 percent (see [Modal Share Analysis](#)).

Weekly Wheat Inspections Up

For the week ending November 1, wheat inspections reached .381 million metric tons (mmt), up 44 percent from the previous week and 2 percent above last year at this time. Wheat inspections were higher this week in the Pacific Northwest and Mississippi Gulf. Outstanding export sales of wheat increased slightly from the prior week. Wheat shipments increased primarily to Africa and Latin America. Corn (.374 mmt) inspections dropped 6 percent from the previous week and soybean (1.56 mmt) inspections decreased 10 percent for the same period. **Total inspections of grain** (wheat, corn, and soybeans) for export from major U.S. ports, however, decreased to 2.32 million metric tons (mmt), down 4 percent from the previous week and 1 percent below last year at this time.

Snapshots by Sector

Rail

U.S. railroads originated 19,381 **carloads of grain** during the week ending October 27, down 5 percent from last week, 19 percent from last year, and 23 percent lower than the 3-year average.

During the week ending November 1, average November non-shuttle **secondary railcar bids/offers per car** were at tariff, up \$12 from last week, and \$47 higher than last year. Average shuttle bids/offers were \$241.50 below tariff, down \$29 from last week, and \$156.50 higher than last year.

Barge

During the week ending November 3, **barge grain movements** totaled 786,252 tons, 52 percent higher than the previous week and 12 percent higher than the same period last year.

During the week ending November 3, 497 grain barges **moved down river**, up 49.7 percent from last week; 848 grain barges were **unloaded in New Orleans**, up 0.6 percent from the previous week.

Ocean

During the week ending November 1, 41 **ocean-going grain vessels** were loaded in the Gulf, up 24 percent from the same period last year. Fifty-eight vessels are expected to be loaded within the next 10 days, 6 percent more than the same period last year.

During the week ending November 2, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$47.00 per mt, down 1 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$26.50 per mt, down 2 percent from the previous week.

Fuel

During the week ending November 5, U.S. average **diesel fuel prices** decreased 2 cents to \$4.01 per gallon—12 cents higher than the same week last year.

Feature Article/Calendar

Wheat Transportation Costs Increase During Third Quarter

Wheat transportation costs continued to increase during the third quarter as trucking rates reached a record high. Demand for trucking services increased as the U.S. harvest began and peaked much earlier than normal. In some instances, trucks were reported waiting in line to unload near river terminals where low water conditions existed due to the drought. Transportation costs for shipping wheat from Kansas (KS) to Japan through the Pacific Northwest (PNW) increased 1 percent from the second quarter 2012, and the costs to ship from North Dakota (ND) to Japan via the PNW increased 1 percent from the same period. Compared to last year, the cost to ship from KS through the PNW decreased 3 percent while shipping from ND decreased 2 percent (*see tables*). The costs of shipping wheat from KS to Japan through the U.S. Gulf increased 2 percent from the second quarter while the costs to ship from ND remained steady. Compared to last year, the costs to ship from KS increased 2 percent but the cost to ship from ND through the Gulf decreased 1 percent. Third quarter wheat transportation costs represented 24 to 31 percent of the landed costs, about the same as the second quarter but above last year.

Table 1: Quarterly rate comparisons for shipping KS & ND wheat to Japan through the PNW

Mode	KS					ND				
	2011	2012	2012	Year-to-Year	Quarterly	2011	2012	2012	Year-to-Year	Quarterly
	3rd qtr	2nd qtr	3rd qtr	change	change	3rd qtr	2nd qtr	3rd qtr	change	change
	\$/metric ton					\$/metric ton				
Truck	12.62	11.66	13.51	7.05	15.87	12.62	11.66	13.51	7.05	15.87
Rail ¹	52.92	53.51	53.71	1.49	0.37	52.28	53.97	53.89	3.08	-0.15
Ocean vessel	30.55	27.28	26.31	-13.88	-3.56	30.55	27.28	26.31	-13.88	-3.56
Transportation Costs	96.09	92.45	93.53	-2.66	1.17	95.45	92.91	93.71	-1.82	0.86
Farm Value ²	272.64	234.91	303.63	11.37	29.25	318.08	283.78	297.62	-6.43	4.88
Total Landed Cost	368.73	327.36	397.16	7.71	21.32	413.53	376.69	391.33	-5.37	3.89
Transport % of landed cost	26.06	28.24	23.55			23.08	24.66	23.95		

Table 2: Quarterly rate comparisons for shipping KS & ND wheat to Japan through the Gulf

Mode	KS					ND				
	2011	2012	2012	Year-to-Year	Quarterly	2011	2012	2012	Year-to-Year	Quarterly
	3rd qtr	2nd qtr	3rd qtr	change	change	3rd qtr	2nd qtr	3rd qtr	change	change
	\$/metric ton					\$/metric ton				
Truck	12.62	11.66	13.51	7.05	15.87	12.62	11.66	13.51	7.05	15.87
Rail ¹	33.78	36.22	38.36	13.56	5.91	62.23	64.37	64.24	3.23	-0.20
Ocean vessel	52.92	50.88	49.18	-7.07	-3.34	52.92	50.88	49.18	-7.07	-3.34
Transportation Costs	99.32	98.76	101.05	1.74	2.32	127.77	126.91	126.93	-0.66	0.02
Farm Value ²	272.64	234.91	303.63	11.37	29.25	318.08	283.78	297.62	-6.43	4.88
Total Landed Cost	371.96	333.67	404.68	8.80	21.28	445.85	410.69	424.55	-4.78	3.37
Transport % of landed cost	26.70	29.60	24.97			28.66	30.90	29.90		

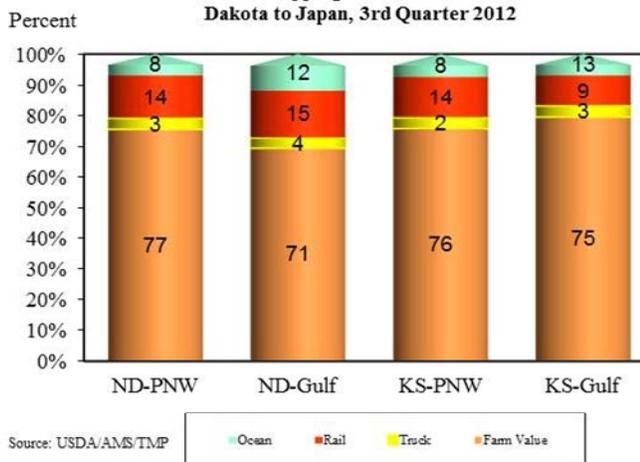
Source: USDA/AMS/TMP

¹ Rail tariff rates include fuel surcharges and revisions for heavy axle railcars and shuttle trains.

² Source: USDA/NASS, wheat prices for North Dakota (mainly HRS) and Kansas (mainly HRW)

The total landed cost (farm value plus transportation costs) for shipping wheat to Japan ranged from \$391 to \$425 per metric ton (mt), above the previous quarter for each route but well below last year when shipping from ND (*see tables*). Total landed costs from quarter to quarter increased mainly due to the increased trucking rates and higher wheat farm values. Landed costs jumped 21 percent for KS quarter to quarter and ND landed costs increased 4 percent in the PNW and 3 percent in the Gulf. Higher farm values played a major role in the much larger increase in KS. Third quarter farm values for wheat produced in KS accounted for 76

Landed costs for shipping wheat from Kansas and North Dakota to Japan, 3rd Quarter 2012



percent of the landed cost through the PNW and 75 percent through the Gulf, up from second quarter and last year (*see figure*). ND wheat farm values accounted for 77 and 71 percent of the total landed cost during the third quarter, below last year this time. Year-to-year landed costs increased 8 and 9 percent for KS, but ND landed costs dropped 5 percent from last year because of lower ocean rates and wheat farm values (*see tables*).

Ocean rates for wheat shipped from the PNW to Japan decreased 4 percent from the second quarter and 14 percent below last year mainly because of excess vessel supply and weak demand for grain shipping (*GTR dated 10/25/12*). Ocean rates for wheat shipped from the Gulf to Japan dropped 3 percent from the second quarter and 7 percent from last year.

Quarter-to-quarter rail rates for shipping wheat from KS through the PNW remained steady, but increased 6 percent when shipping through the Gulf. Rail rates for shipping wheat from ND through the PNW and Gulf remained stable quarter to quarter. KS and ND rail rates for shipping wheat to the PNW were up 2 and 3 percent year to year, and the rates were up 14 and 3 percent to ship through the Gulf (*see table*). The cost of moving wheat from both states by truck to a rail-served grain elevator increased 16 percent due to high diesel prices and increased demand for trucking due in part to the early harvest. Truck rates for moving grain are currently at record high levels.

According to the Grain Inspection Packers and Stockyards Administration, the total amount of wheat inspected for export during the third quarter to Japan was 1.1 million mt, up 10 percent from last year at this time, representing 15 percent of total U.S. wheat exports. For the same period, total U.S. wheat exports reached 7.35 million metric tons, 7 percent below last year. For the 2012/13 marketing year, year-to-date shipped export sales of all wheat are down 13 percent from the past year (*See GTR, Table 12*).
Johnny.Hill@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
11/07/12	269	234	199	331	210	188
10/31/12	271	231	199	304	212	191

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)

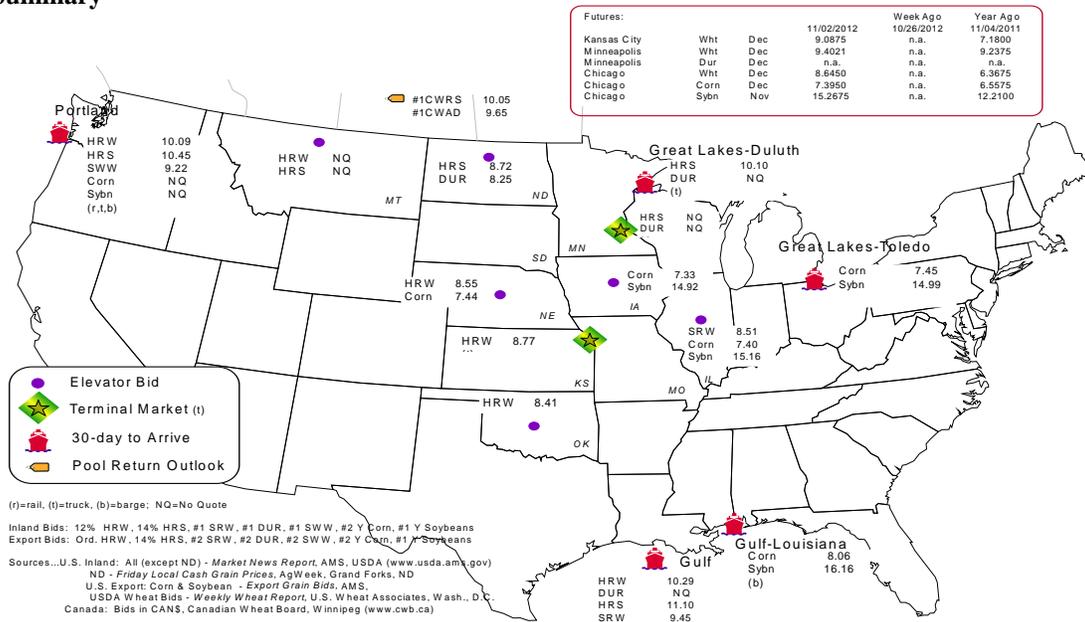
Commodity	Origin--Destination	11/2/2012	10/26/2012
Corn	IL--Gulf	-0.66	n/a
Corn	NE--Gulf	-0.62	n/a
Soybean	IA--Gulf	-1.24	n/a
HRW	KS--Gulf	-1.52	n/a
HRS	ND--Portland	-1.73	n/a

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 ³	Northwest	East Gulf	
10/31/2012 ^p	539	920	n/a	4,404	1,218	7,400
10/24/2012 ^r	631	638	n/a	3,293	1,404	6,059
2012 YTD ^r	13,589	35,101	n/a	169,335	16,833	275,938
2011 YTD ^r	25,932	72,199	n/a	155,769	19,294	314,361
2012 YTD as % of 2011 YTD	52	49	n/a	109	87	88
Last 4 weeks as % of 2011 ²	181	138	n/a	95	223	100
Last 4 weeks as % of 4-year avg. ²	70	54	n/a	83	135	75
Total 2011	27,358	77,515	48,782	191,187	24,088	368,930
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.

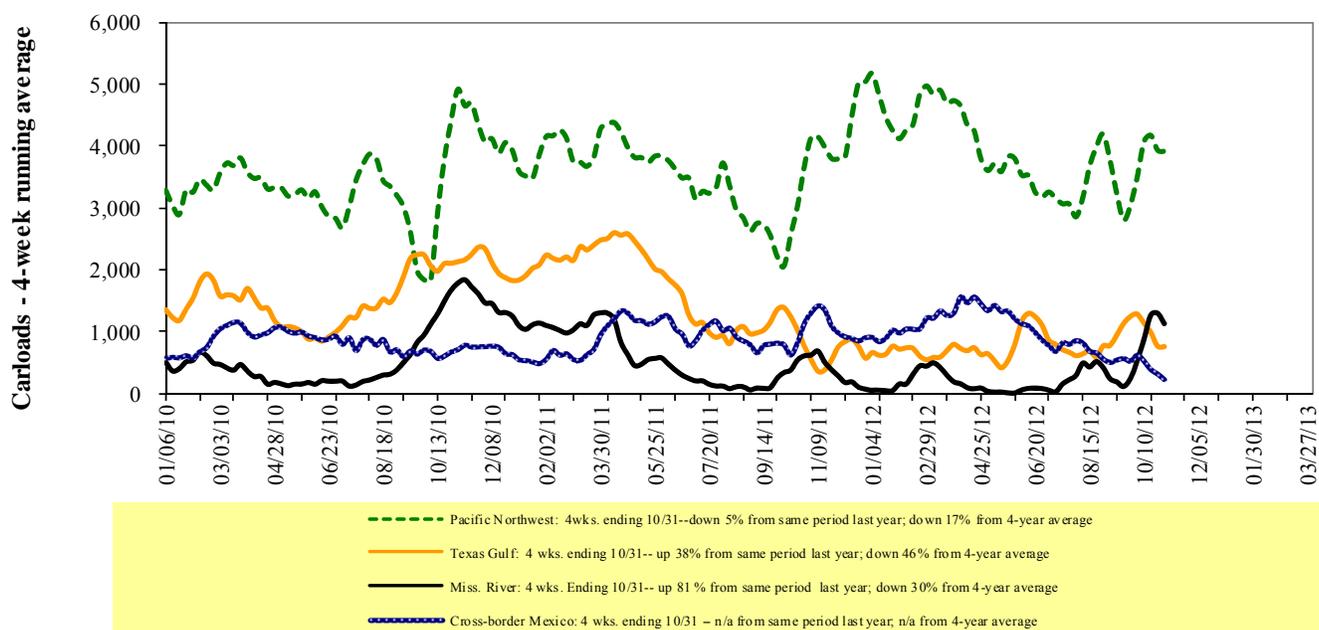
³ Data is unavailable.

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

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

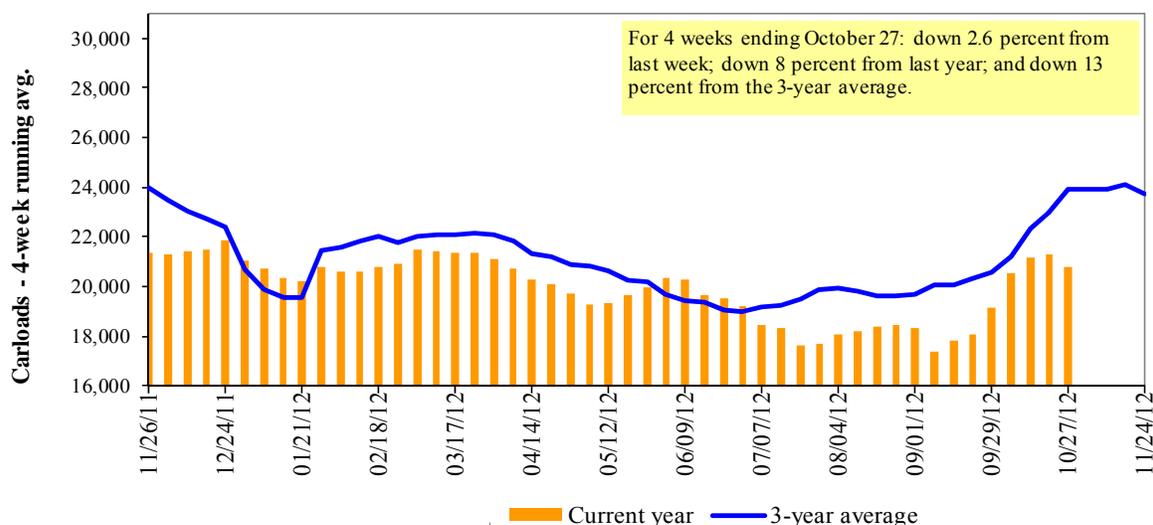
Table 4

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
10/27/12	1,664	3,587	10,169	496	3,465	19,381	4,728	6,622
This week last year	2,409	3,178	11,241	734	6,236	23,798	4,656	5,683
2012 YTD	70,599	119,621	426,821	22,120	210,666	849,827	167,086	211,840
2011 YTD	77,209	124,797	450,795	30,284	249,109	932,194	165,572	218,740
2012 YTD as % of 2011 YTD	91	96	95	73	85	91	101	97
Last 4 weeks as % of 2011 ¹	79	90	113	64	69	92	99	108
Last 4 weeks as % of 3-yr avg. ¹	74	90	104	59	63	86	105	111
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							
	Nov-12	Nov-11	Dec-12	Dec-11	Jan-13	Jan-12	Feb-13	Feb-12
BNSF ³								
COT grain units	no bids	no bids	no bids	no bids	0	no offer	no offer	no offer
COT grain single-car ⁵	0 . . 6	10	0 . . 5	10	0	no bids	no offer	no bids
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no offer	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no offer	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.

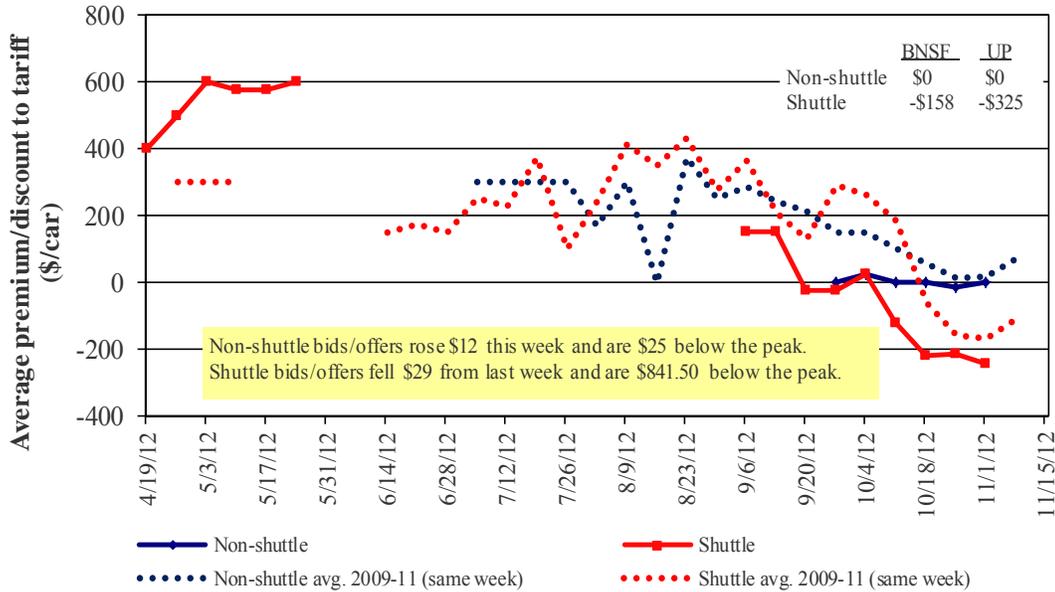
⁵Range is shown because average is not available. Not available = n/a.

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 2012, Secondary Market

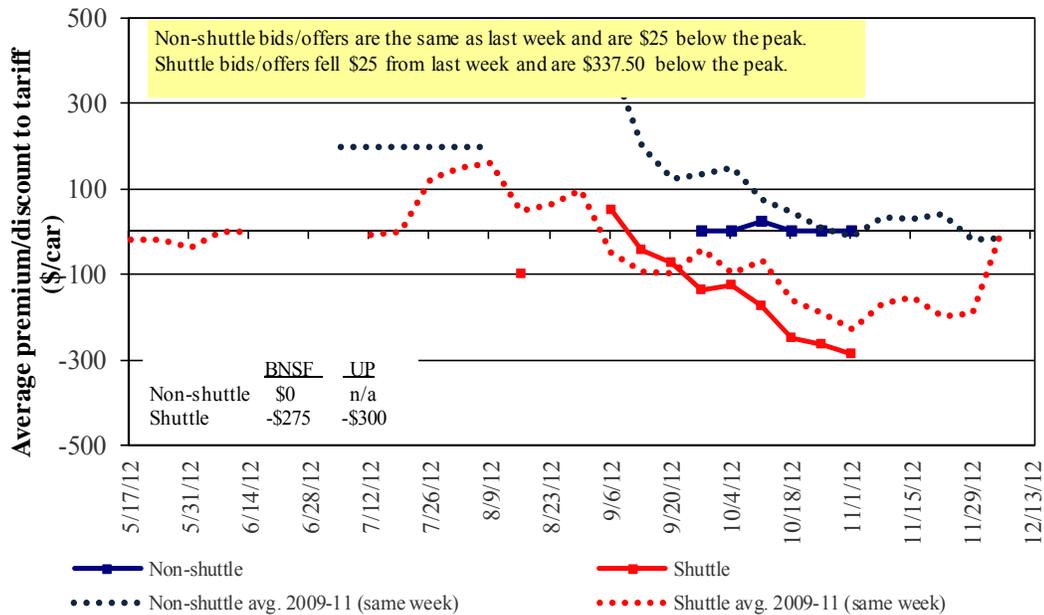


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

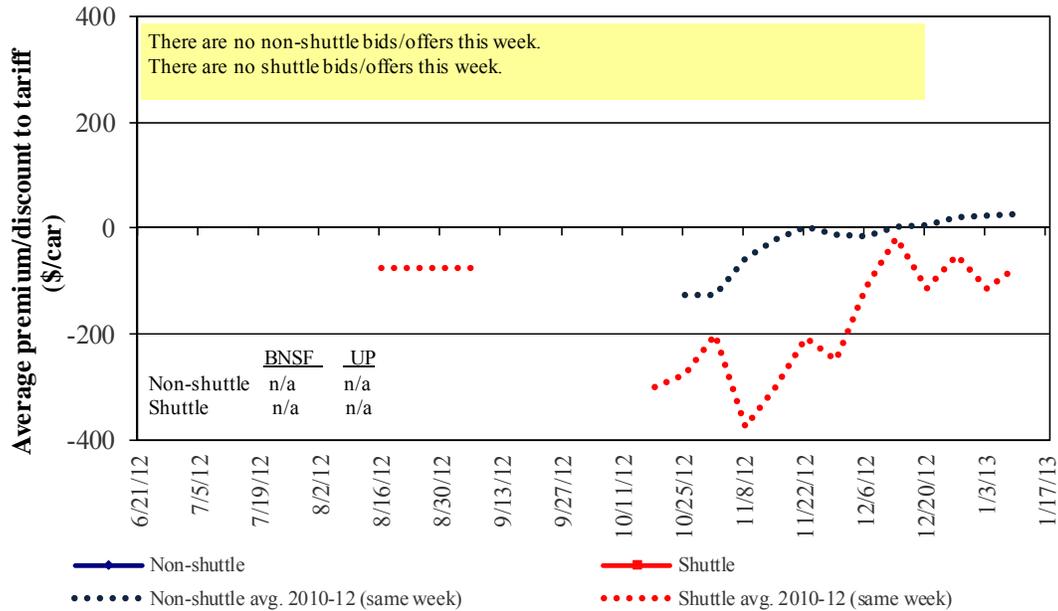


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

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



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market (\$/car)¹

Week ending	Delivery period					
	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13
Non-shuttle						
BNSF-GF	-	-	n/a	n/a	n/a	n/a
Change from last week	11	-	n/a	n/a	n/a	n/a
Change from same week 2011	69	-	n/a	n/a	n/a	n/a
UP-Pool	-	n/a	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	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(158)	(275)	n/a	n/a	n/a	n/a
Change from last week	17	(75)	n/a	n/a	n/a	n/a
Change from same week 2011	238	125	n/a	n/a	n/a	n/a
UP-Pool	(325)	(300)	n/a	n/a	n/a	n/a
Change from last week	(75)	25	n/a	n/a	n/a	n/a
Change from same week 2011	75	150	n/a	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 Shipments¹

Effective date:				Fuel	Tariff plus surcharge per:		Percent
11/1/2012	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ^l ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,144	\$207	\$33.28	\$0.91	6
	Grand Forks, ND	Duluth-Superior, MN	\$3,445	\$122	\$35.42	\$0.96	12
	Wichita, KS	Los Angeles, CA	\$6,026	\$627	\$66.07	\$1.80	7
	Wichita, KS	New Orleans, LA	\$3,645	\$365	\$39.82	\$1.08	5
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$515	\$60.46	\$1.65	4
	Northwest KS	Galveston-Houston, TX	\$3,912	\$400	\$42.82	\$1.17	5
	Amarillo, TX	Los Angeles, CA	\$4,112	\$556	\$46.36	\$1.26	5
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,110	\$412	\$34.98	\$0.95	3
	Toledo, OH	Raleigh, NC	\$4,508	\$468	\$49.41	\$1.34	15
	Des Moines, IA	Davenport, IA	\$2,006	\$87	\$20.79	\$0.57	4
	Indianapolis, IN	Atlanta, GA	\$3,920	\$351	\$42.41	\$1.15	16
	Indianapolis, IN	Knoxville, TN	\$3,354	\$225	\$35.54	\$0.97	18
	Des Moines, IA	Little Rock, AR	\$3,154	\$257	\$33.87	\$0.92	4
Soybeans	Des Moines, IA	Los Angeles, CA	\$5,065	\$747	\$57.72	\$1.57	3
	Minneapolis, MN	New Orleans, LA	\$3,369	\$454	\$37.97	\$1.03	2
	Toledo, OH	Huntsville, AL	\$3,575	\$332	\$38.80	\$1.06	3
	Indianapolis, IN	Raleigh, NC	\$4,578	\$471	\$50.14	\$1.36	4
	Indianapolis, IN	Huntsville, AL	\$3,267	\$225	\$34.68	\$0.94	3
Champaign-Urbana, IL	New Orleans, LA	\$3,599	\$412	\$39.84	\$1.08	7	
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,481	\$361	\$38.15	\$1.04	9
	Wichita, KS	Galveston-Houston, TX	\$3,634	\$281	\$38.88	\$1.06	16
	Chicago, IL	Albany, NY	\$3,771	\$438	\$41.80	\$1.14	5
	Grand Forks, ND	Portland, OR	\$4,963	\$623	\$55.47	\$1.51	7
	Grand Forks, ND	Galveston-Houston, TX	\$5,984	\$649	\$65.87	\$1.79	6
	Northwest KS	Portland, OR	\$4,793	\$656	\$54.11	\$1.47	3
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$759	\$55.20	\$1.50	2
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$695	\$54.17	\$1.47	2
	Champaign-Urbana, IL	New Orleans, LA	\$2,857	\$412	\$32.47	\$0.88	1
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$405	\$36.89	\$1.00	2
	Des Moines, IA	Amarillo, TX	\$3,430	\$323	\$37.27	\$1.01	1
	Minneapolis, MN	Tacoma, WA	\$4,800	\$753	\$55.14	\$1.50	2
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,200	\$779	\$49.44	\$1.35	3
	Sioux Falls, SD	Tacoma, WA	\$5,340	\$695	\$59.93	\$1.63	7
	Minneapolis, MN	Portland, OR	\$5,330	\$759	\$60.47	\$1.65	8
	Fargo, ND	Tacoma, WA	\$5,230	\$618	\$58.07	\$1.58	7
	Council Bluffs, IA	New Orleans, LA	\$3,870	\$476	\$43.15	\$1.17	6
	Toledo, OH	Huntsville, AL	\$2,750	\$332	\$30.61	\$0.83	4
Grand Island, NE	Portland, OR	\$4,960	\$671	\$55.92	\$1.52	11	

¹A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 75-120 cars that meet railroad efficiency requirements.

²Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

³Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

*Regional economic areas defined by the Bureau of Economic Analysis (BEA)

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to Mexico

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$7,741	\$659	\$85.83	\$2.33	1
	OK	Cuautitlan, EM	\$6,837	\$801	\$78.03	\$2.12	4
	KS	Guadalajara, JA	\$7,444	\$774	\$83.97	\$2.28	-1
	TX	Salinas Victoria, NL	\$3,743	\$302	\$41.33	\$1.12	3
Corn	IA	Guadalajara, JA	\$7,699	\$910	\$87.96	\$2.23	1
	SD	Celaya, GJ ⁵	\$7,356	\$863	\$83.98	\$2.13	n/a
	NE	Queretaro, QA	\$7,153	\$808	\$81.35	\$2.06	2
	SD	Salinas Victoria, NL	\$5,700	\$656	\$64.94	\$1.65	3
	MO	Tlalnepantla, EM	\$6,592	\$785	\$75.37	\$1.91	7
	SD	Torreon, CU	\$6,522	\$722	\$74.02	\$1.88	2
Soybeans	MO	Bojay (Tula), HG	\$7,580	\$768	\$85.29	\$2.32	8
	NE	Guadalajara, JA	\$8,134	\$878	\$92.08	\$2.50	3
	IA	El Castillo, JA	\$8,555	\$857	\$96.17	\$2.61	5
	KS	Torreon, CU	\$6,651	\$544	\$73.52	\$2.00	3
Sorghum	OK	Cuautitlan, EM	\$5,730	\$655	\$65.24	\$1.66	3
	TX	Guadalajara, JA	\$6,653	\$561	\$73.71	\$1.87	1
	NE	Celaya, GJ ⁵	\$6,937	\$783	\$78.88	\$2.00	n/a
	KS	Queretaro, QA	\$6,460	\$492	\$71.03	\$1.80	1
	NE	Salinas Victoria, NL	\$5,178	\$576	\$58.79	\$1.49	3
	NE	Torreon, CU	\$6,068	\$643	\$68.57	\$1.74	0

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

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

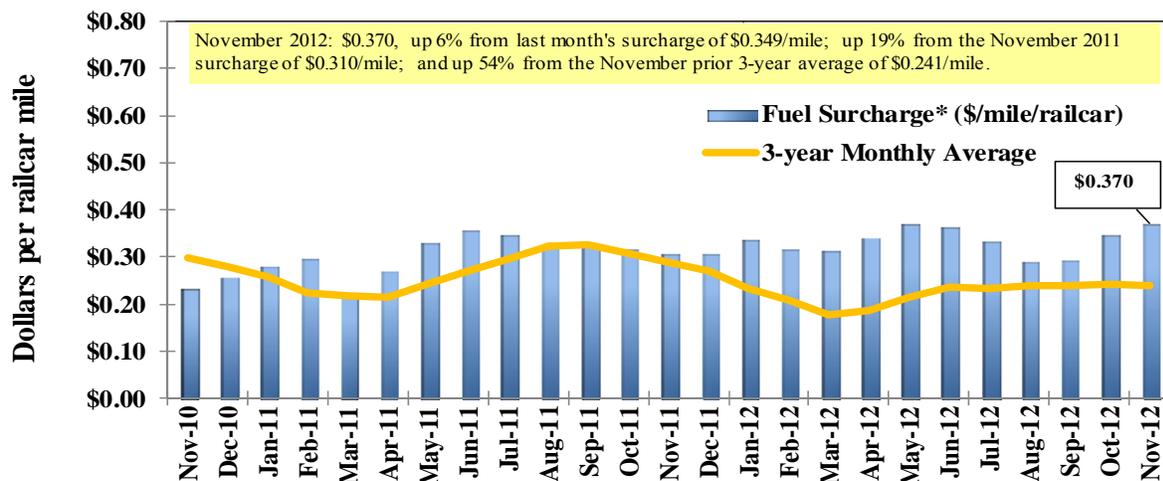
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

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

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

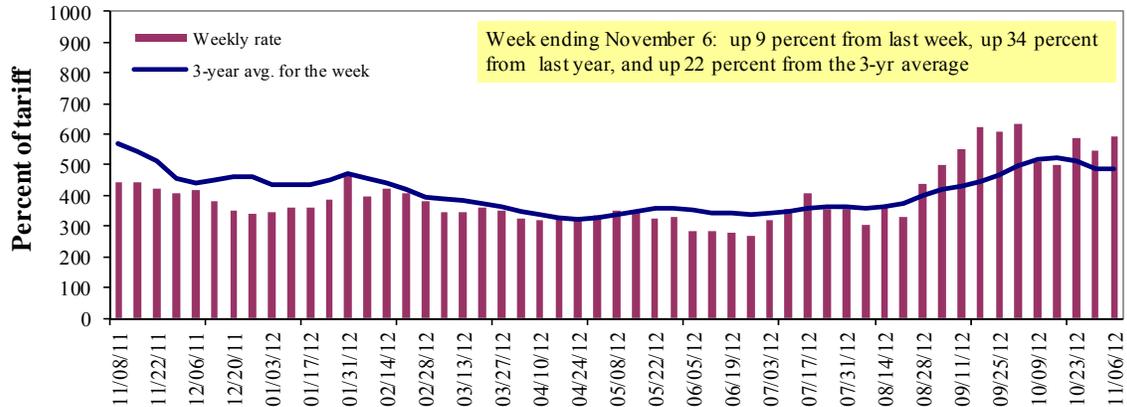
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

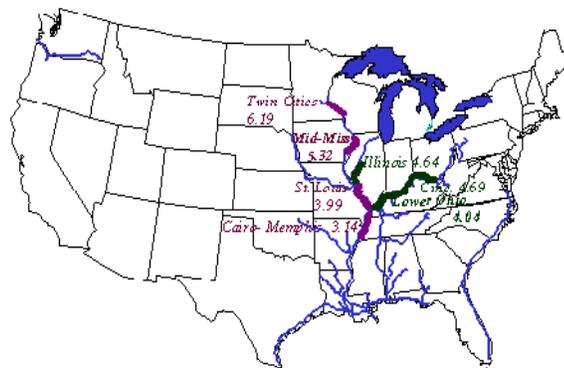
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	11/6/2012	588	625	595	625	500	500	425
	10/30/2012	618	550	547	633	567	567	617
\$/ton	11/6/2012	36.40	33.25	27.61	24.94	23.45	20.20	13.35
	10/30/2012	38.25	29.26	25.38	25.26	26.59	22.91	19.37
Current week % change from the same week:								
	Last year	17	35	34	75	12	12	42
	3-year avg. ²	6	22	22	44	3	3	9
Rate¹	December	-	-	453	400	368	368	320
	February	-	-	433	370	358	358	315

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

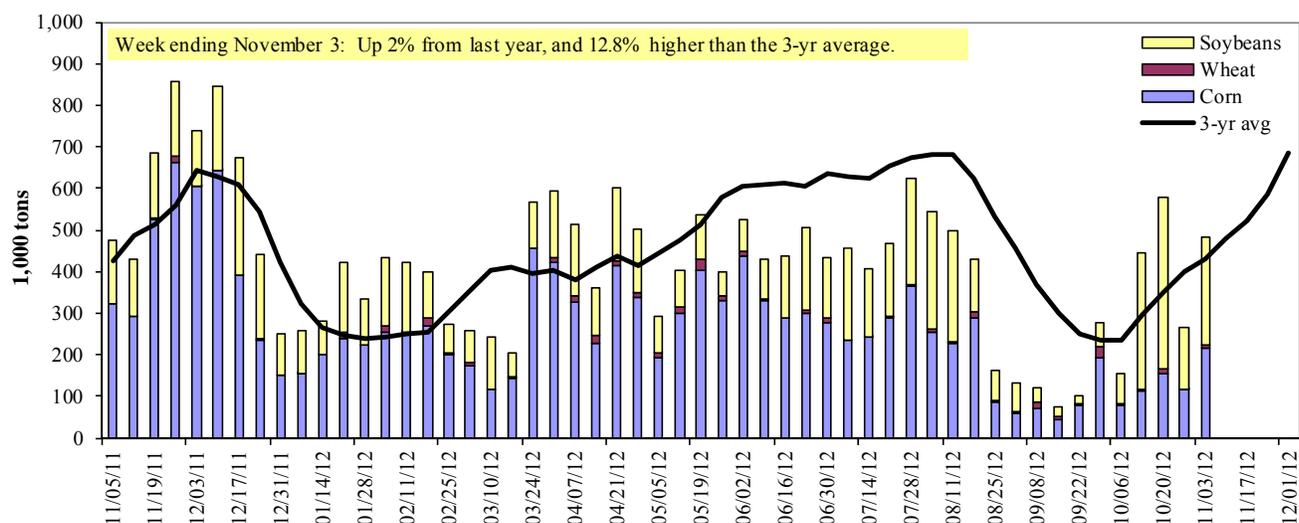


Calculating barge rate per ton:

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

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 11/3/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	242	0	104	0	346
Winfield, MO (L25)	238	0	219	0	456
Alton, IL (L26)	239	5	235	0	479
Granite City, IL (L27)	217	5	262	0	483
Illinois River (L8)	17	5	18	0	40
Ohio River (L52)	33	2	218	2	254
Arkansas River (L1)	0	4	45	0	49
Weekly total - 2012	250	10	524	2	786
Weekly total - 2011	400	9	292	2	702
2012 YTD ¹	13,118	1,660	9,457	216	24,451
2011 YTD	15,829	1,288	6,261	347	23,724
2012 as % of 2011 YTD	83	129	151	62	103
Last 4 weeks as % of 2011 ²	54	59	148	36	99
Total 2011	19,921	1,460	8,553	422	30,356

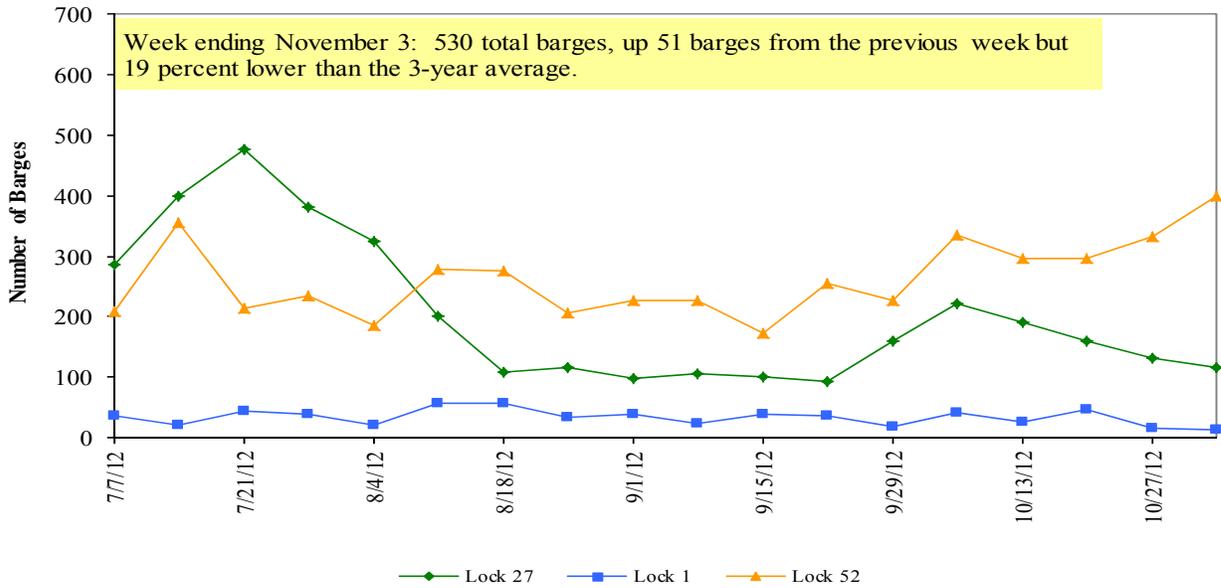
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

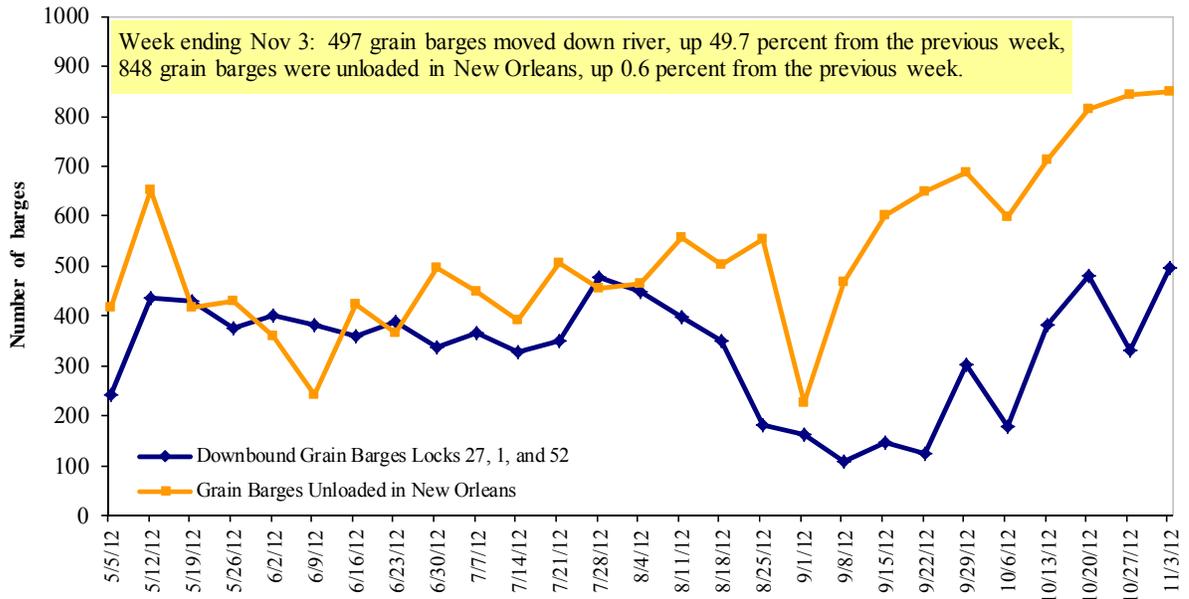
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webprts/default.asp)

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 11/05/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.034	-0.002	0.159
	New England	4.211	0.006	0.261
	Central Atlantic	4.155	0.006	0.158
	Lower Atlantic	3.910	-0.011	0.094
II	Midwest ²	3.959	-0.025	0.096
III	Gulf Coast ³	3.920	-0.025	0.124
IV	Rocky Mountain	4.160	-0.035	0.182
V	West Coast	4.153	-0.034	0.044
	West Coast less California	4.068	-0.024	-
	California	4.225	-0.043	0.012
Total	U.S.	4.010	-0.020	0.123

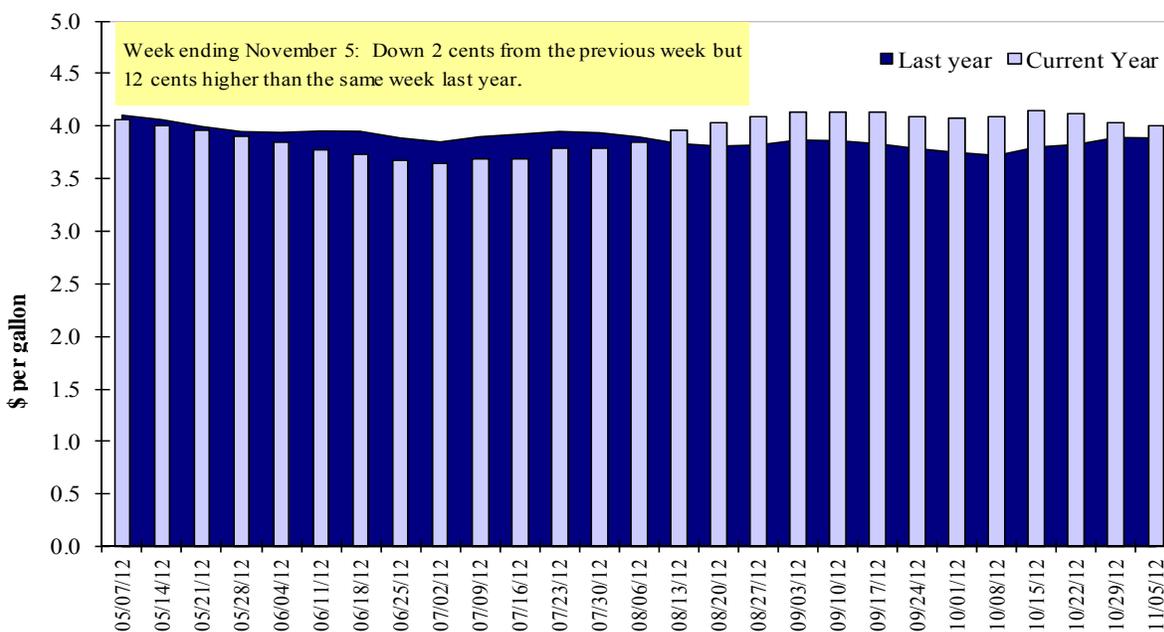
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
10/25/2012	1,510	611	1,252	829	95	4,296	7,195	17,699	29,190
This week year ago	1,322	738	1,162	926	58	4,206	15,364	13,181	32,751
Cumulative exports-marketing year²									
2012/13 YTD	4,207	1,452	2,601	1,908	241	10,410	3,716	8,057	22,183
2011/12 YTD	4,989	1,555	3,072	2,110	257	11,982	5,726	5,341	23,049
YTD 2012/13 as % of 2011/12	84	93	85	90	94	87	65	151	96
Last 4 wks as % of same period 2011/12	106	84	100	86	153	97	49	146	94
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year 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 10/25/12	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	3,117	4,773	(35)	12,367
Mexico	2,677	3,829	(30)	9,617
China	918	2,043	(55)	5,414
Korea	416	1,803	(77)	3,639
Venezuela	194	155	25	1,332
Top 5 importers	7,322	12,603	(42)	32,369
Total US corn export sales	10,911	21,090	(48)	39,120
% of Projected	37%	54%		
Change from prior week	168	623		
Top 5 importers' share of U.S. corn export sales	67%	60%		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 Importers¹ of U.S. Soybeans

Week Ending 10/25/2012	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 -
China	15,724	12,969	21	24,602
Mexico	962	1,156	(17)	3,180
Japan	714	719	(1)	1,891
Indonesia	394	458	(14)	1,741
Egypt	218	222	(2)	1,292
Top 5 importers	18,012	15,522	16	32,706
Total US soybean export sales	25,755	18,522	39	37,010
% of Projected	75%	50%		
Change from prior week	741	210		
Top 5 importers' share of U.S. soybean export sales	70%	84%		
USDA forecast, October 2012	34,430	37,010	(7)	

(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)

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 10/25/2012	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	1,956	2,143	(9)	3,512
Mexico	1,969	2,107	(7)	3,496
Nigeria	1,763	1,831	(4)	3,248
Philippines	1,341	1,411	(5)	2,039
Korea	950	677	40	1,983
Egypt	155	247	(37)	950
Taiwan	654	499	31	888
Indonesia	374	472	(21)	830
Venezuela	470	353	33	594
Iraq	209	572	(63)	572
Top 10 importers	9,840	10,312	(5)	18,111
Total US wheat export sales	14,706	16,188	(9)	28,560
% of Projected	47%	57%		
Change from prior week	363	320		
Top 10 importers' share of U.S. wheat export sales	67%	64%		63%
USDA forecast, October 2012	31,300	28,560	10	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--
<http://www.fas.usda.gov/esrquery/>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 11/01/12	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	151	117	129	11,299	12,354	91	51	57	13,995
Corn	55	0	12,665	5,060	7,260	70	25	33	9,198
Soybeans	317	435	73	8,205	5,638	146	102	86	7,321
Total	522	552	94	24,564	25,252	97	79	75	30,513
Mississippi Gulf									
Wheat	99	69	143	4,894	4,568	107	102	97	5,031
Corn	203	344	59	16,409	22,244	74	64	57	26,267
Soybeans	1,049	967	109	17,776	14,243	125	143	131	19,262
Total	1,351	1,379	98	39,079	41,055	95	111	101	50,560
Texas Gulf									
Wheat	71	66	107	5,276	9,976	53	57	49	10,837
Corn	0	0	n/a	336	832	40	0	0	1,021
Soybeans	13	139	9	389	763	51	n/a	81	926
Total	84	206	41	6,000	11,571	52	119	53	12,784
Interior									
Wheat	20	12	165	1,032	969	107	182	189	1,110
Corn	116	49	238	5,706	6,146	93	68	67	7,509
Soybeans	62	113	55	3,667	3,618	101	55	99	4,273
Total	198	174	114	10,405	10,734	97	126	89	12,892
Great Lakes									
Wheat	40	0	n/a	411	900	46	128	59	1,038
Corn	0	0	n/a	56	159	35	0	0	178
Soybeans	50	76	65	443	233	190	106	82	382
Total	90	76	118	910	1,292	70	107	70	1,598
Atlantic									
Wheat	0	0	n/a	341	658	52	416	102	686
Corn	0	3	0	139	253	55	10	5	295
Soybeans	70	10	735	789	543	145	328	138	1,042
Total	70	13	544	1,268	1,453	87	182	79	2,022
U.S. total from ports²									
Wheat	381	264	144	23,253	29,426	79	68	66	32,697
Corn	374	396	94	27,705	36,894	75	55	52	44,466
Soybeans	1,561	1,740	90	31,268	25,038	125	129	108	33,205
Total	2,316	2,400	96	82,226	91,358	90	97	86	110,369

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

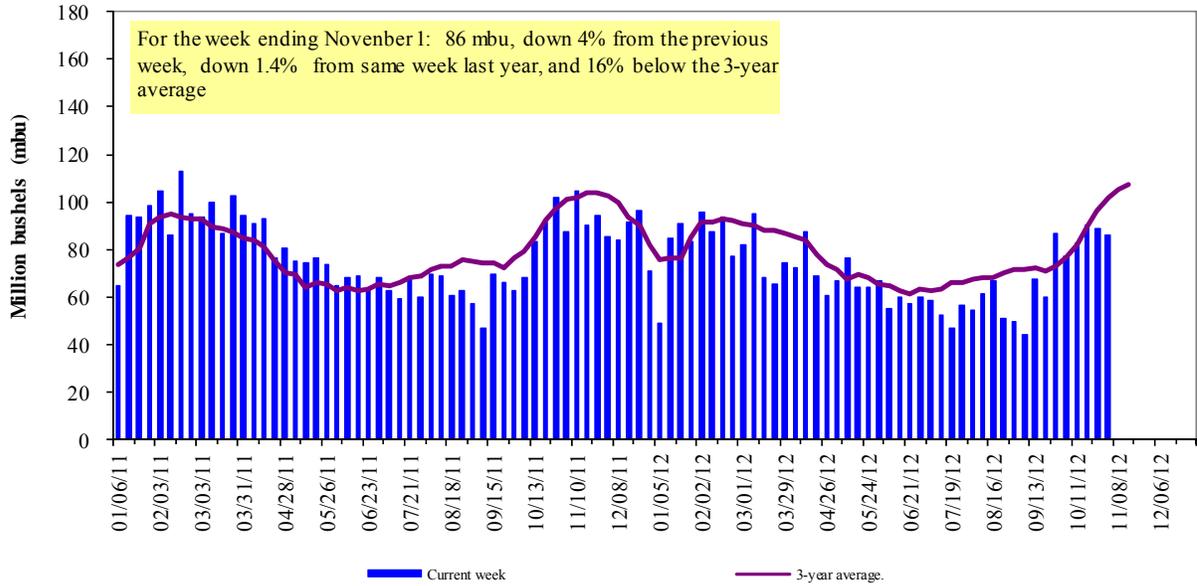
² Total includes only port regions shown above; Interior land-based shipments now included.

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)

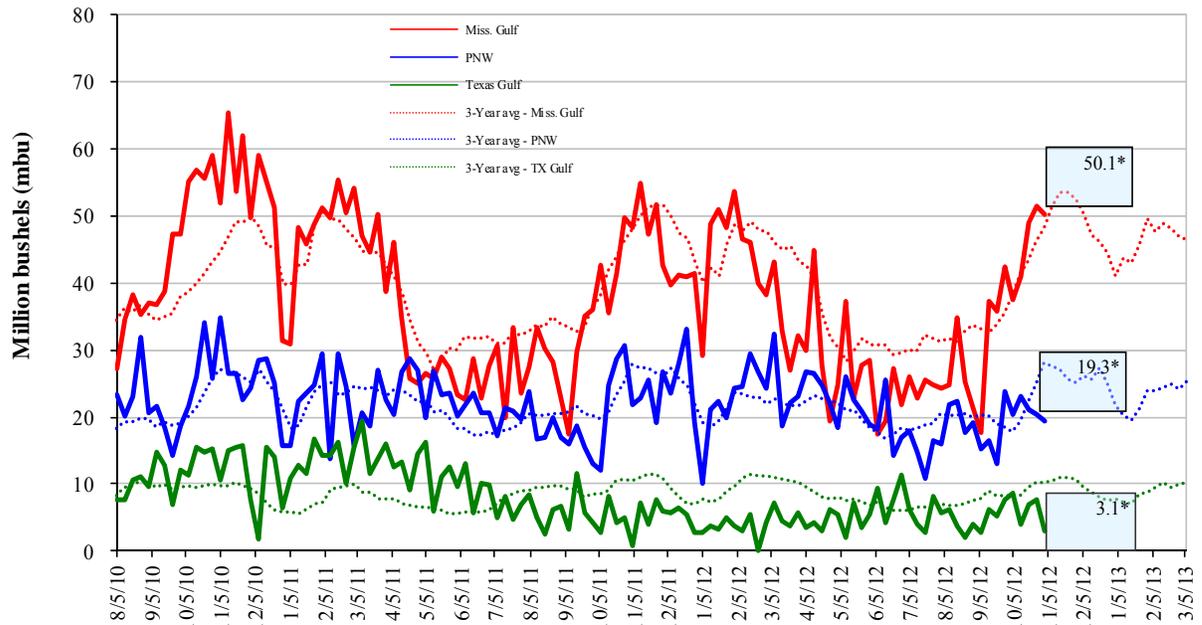


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

November 1 % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	down 3	down 59	down 9	down 5
Last year (same week)	up 4	up 186	up 9	down 12
3-yr avg (4-wk mov. avg)	up 4	down 70	down 9	down 33

Ocean Transportation

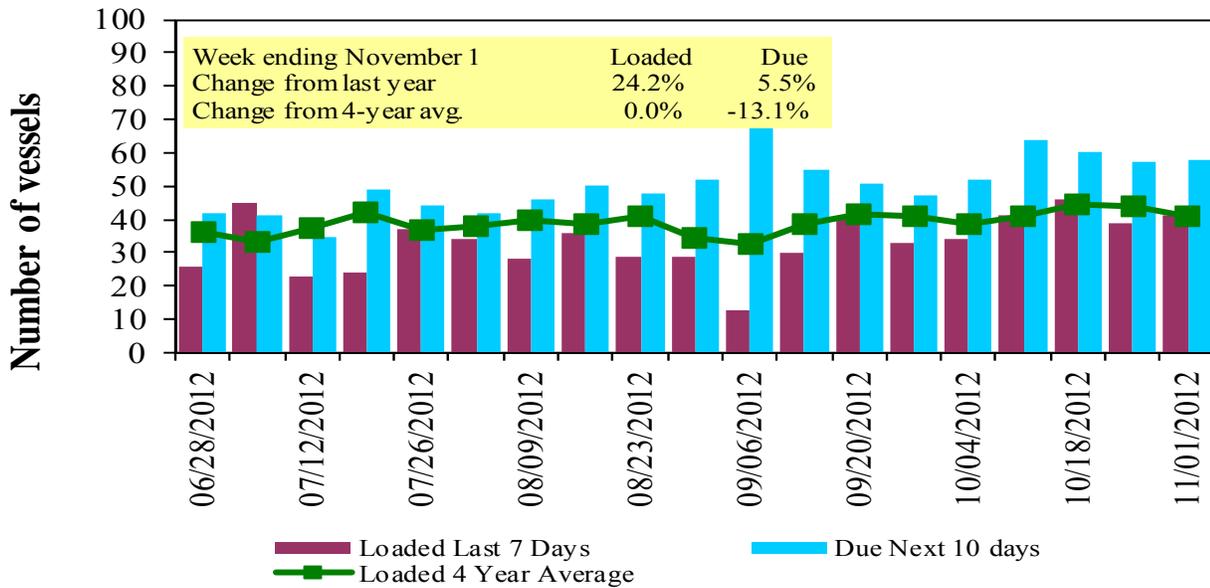
Table 17

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
11/1/2012	42	41	58	12	n/a
10/25/2012	50	39	57	17	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

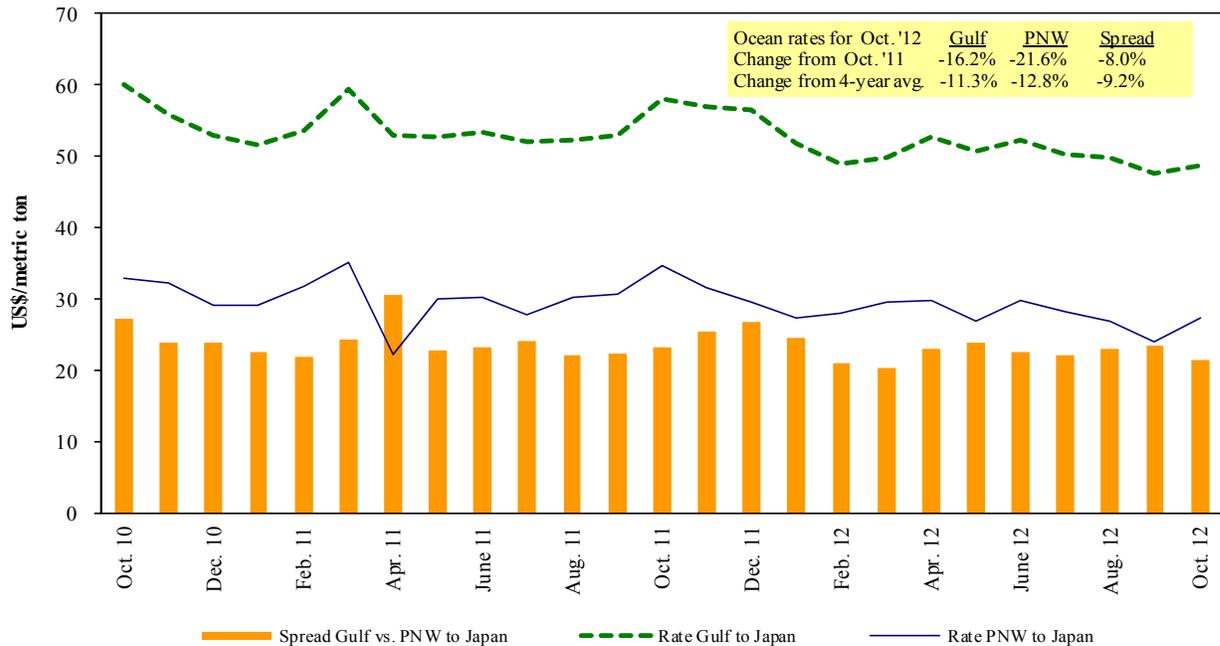
Figure 16
U.S. Gulf^d Vessel Loading Activity



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 11/03/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Nov 20/25	55,000	44.85
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	49.00
U.S. Gulf	China	Heavy Grain	Nov 10/20	55,000	46.00
U.S. Gulf	China	Heavy Grain	Nov 9/19	55,000	48.00
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	Mozambique ¹	Wheat	Sep 20/30	10,000	211.50
France	Algeria	Wheat	Nov 2/7	25,000	22.00
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
Ukraine	S. Arabia	Barley	Oct 25/30	56,500	25.25

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

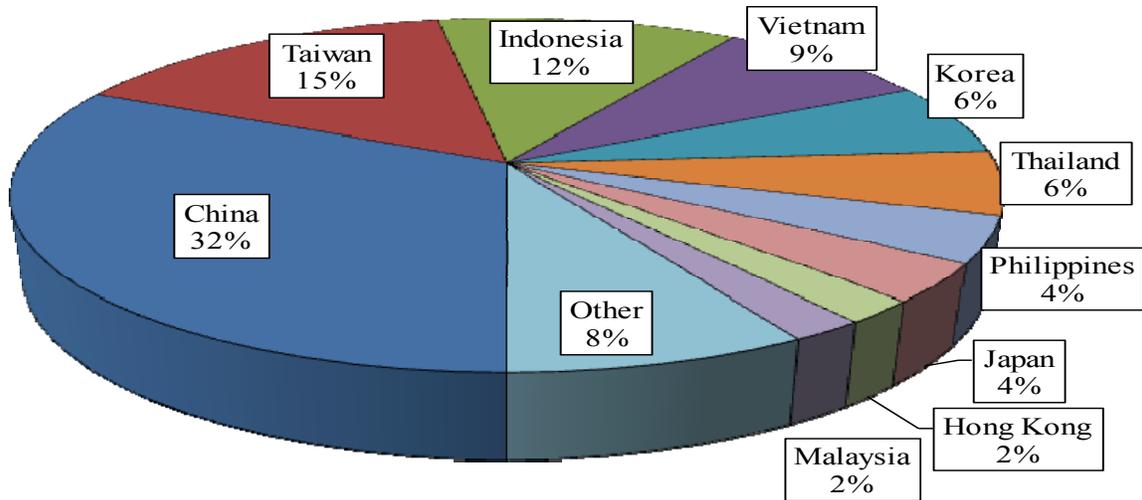
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 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

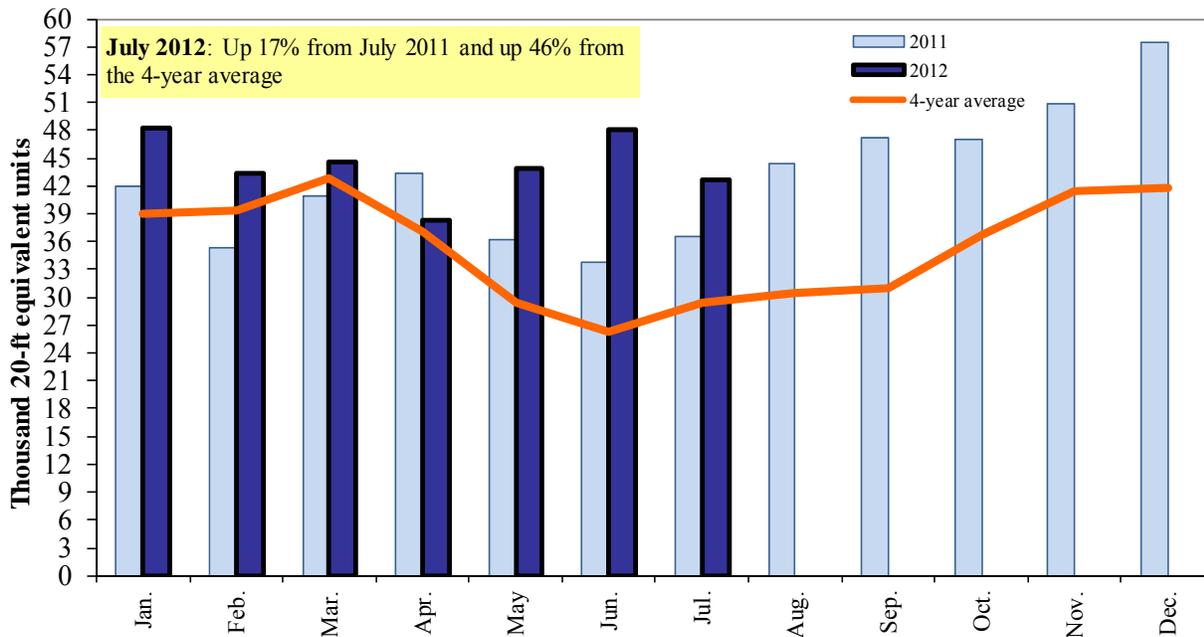


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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.

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

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*).

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