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

Contact Us

January 21, 2010

**Contents**



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The next release is Jan. 28, '10

## WEEKLY HIGHLIGHTS

### Navigation Conditions Improve on Mississippi and Illinois Rivers, Shipments Increase on Ohio River

For the week beginning January 17, navigation conditions on the Upper Mississippi and Illinois Rivers improved as warmer weather stopped ice accumulation. Grain exporters have indicated they are sourcing grain from the Ohio River to offset lower volumes from the Upper Mississippi and Illinois Rivers. During the week ending January 16, Ohio River grain barge movements represented 63 percent of grain barge tonnages, whereas 23 percent was from the Mississippi Locks 27, and 10 percent from the Arkansas River. The annual averages of barged grain for these locations are: Ohio River, 21 percent, Mississippi River Locks 27, 73 percent, and Arkansas River, 6 percent.

### Corn Drives Increase in Total Grain Export Inspections

For the week ending January 14, **total inspections of grain** (corn, wheat, soybeans) from major U.S. export regions reached 2.07 million metric tons (mmt), up 3.4 percent from the previous week and 20 percent above last year at this time. Corn inspections, which increased 43 percent from the previous week, drove the increase in total grain inspections. Asian destinations had the largest increase in corn inspections. The increase in corn exports may be due to a drop in corn prices after the USDA's higher-than-expected corn production estimate. In addition, recent corn futures prices for the March, May, and July contracts may be indicating an incentive to market the grain sooner rather than storing it for future sale. As the difference between the prices in those months decreases, the incentives to store the grain decreases.

### Petroleum Pipeline Company Acquires Ethanol Unit Train Receiving Facilities

On January 19, Kinder Morgan Energy Partners LP, a traditional petroleum pipeline company, expanded its ethanol transportation business by acquiring three ethanol unit train receiving terminals. The acquisition includes terminals in Linden, NJ, Baltimore, MD, and Dallas, TX. Kinder Morgan already ships ethanol via pipeline in Florida between Tampa and Orlando. As ethanol production expands, the possibility of transporting ethanol via pipeline from rail receiving facilities to petroleum blending terminals may reduce the need for local truck services.

### U.S. Average Diesel Fuel Price Falls for the First Time in a Month

The U.S. average diesel fuel price fell for the first time in a month, dipping 0.9 cents to $2.87 a gallon, from $2.879 last week, according to the Department of Energy (DOE). The slight downturn this week follows three straight weekly increases, from the week of Dec. 21 to last week's report on Jan. 11. During this time, diesel jumped 15.3 cents, a 6-percent increase in one month. The $2.87 price for the past week is 25 percent above last year, the largest year-over-year increase since the week of Oct. 6, 2008. To calculate the national average diesel price, DOE surveys roughly 350 retail diesel outlets each week from across the country.

## Snapshots by Sector

### Rail

U.S. Railroads originated 19,443 **carloads of grain** during the week ending January 9, up 10 percent from last week, down 5 percent from the same week last year, and 9 percent lower than the 3-year average.

During the week ending January 16, average January **secondary railcar bids/offers** were at tariff for non-shuttle, unchanged from last week. Shuttle rates were $125 above tariff, $50 lower than last week.

### Ocean

During the week ending January 14, 41 **ocean-going grain vessels** were loaded in the U.S. Gulf, up 14 percent from last year. Seventy-two **vessels** are expected to be loaded in the Gulf within the next 10 days, up 47 percent from last year.

As of January 15, the cost of shipping grain from the Gulf to Japan was $70 per mt, down 3 percent from the previous week. The rate from the Pacific Northwest to Japan was $40 per mt, down 5 percent from the previous week.

### Barge

During the week ending January 16, **barge grain movements** totaled 463,974 tons, 57 percent higher than the previous week but 27 percent lower than the same period last year.

# Feature Article/Calendar

## Ocean Freight Rates Rise as Global Economy Improves

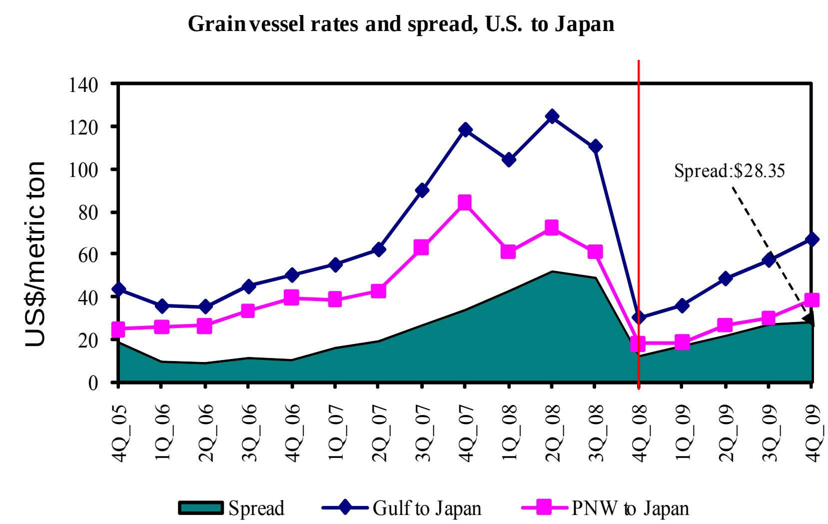
After reaching a trough during the 4th quarter of 2008, ocean freight rates for shipping grains from the U.S. Gulf and the Pacific Northwest (PNW) to Japan have been climbing steadily (see figure). The cost of shipping grains from the Gulf to Japan during the 4th quarter 2009 was $66.95 per mt—17 percent higher than the previous quarter and 120 percent over the same period last year (see table). The cost of shipping grain from the PNW to Japan was $38.60 per mt—29 percent higher than the previous quarter and 113 percent above the same period last year. It cost just over $26 to ship grain from the Gulf to Rotterdam, a 33 percent increase over the previous quarter and a 61percent increase over same quarter last year. The spread between rates for shipping grain from the Gulf or the PNW to Japan was $28.35 per mt—up 4 percent from the previous quarter and 130 percent over the same period last year. A wider spread is expected to favor grain shipments out of the PNW ports, assuming all other things are equal.

**Ocean freight rates for grain routes during 4th quarter 2009**

| Route | Oct | Nov | Dec | 4th quarter 2009 | Change from 3rd qtr '09 | Change from 4th qtr '08 |
|---|---|---|---|---|---|---|
| | | --$/mt-- | | --$/mt-- | Percent | |
| U.S. Gulf to Japan | 60.85 | 71.38 | 68.63 | 66.95 | 17 | 120 |
| PNW to Japan | 33.80 | 43.13 | 38.88 | 38.60 | 29 | 113 |
| U.S. Gulf to Europe | 21.50 | 30.25 | 27.38 | 26.38 | 33 | 61 |
| Spread | 27.05 | 28.25 | 29.75 | 28.35 | 4 | 130 |

Source: O'Neil Commodity Consulting

The increase in the ocean shipping rates stemmed from improved forecasts for the global economy. China's insatiable appetite for raw materials also contributed to the rate increase as Chinese imports of iron ore and coal remained high. In addition, there was increased freight activity in Europe, Japan, and India. Finally, there were congestion problems at Australian major coal ports, such as Dalrymple Bay, Hay Point and Newcastle.




Source: Baltic Echange/Drewry Shipping Consultants/O'Neil Commodity

During October, an average of 60 vessels were waiting to be loaded at these ports, and waiting time remained above 10 days through the month of November. Additionally, many ports in China were reporting long waiting lines.

**Market Outlook:** A slight improvement in congestion towards the end of November and during the Christmas/New Year holiday period provided a temporary lull in the market and led to more ship availability. We are at the end of the U.S. grain harvest; and there is speculation that Argentina will drop out of the group of major grain-exporting countries. There was also a report of India cracking down on illegal mining activities. All of these factors may soften demand in the freight market and lower rates.

However, port congestion persists. As of the week ending January 18, there were 54 vessels waiting to load coal at the Australian port of Newcastle, with an average waiting time of about 16 days. Chinese stockpiling of raw materials has continued. The harsh winter in the Northern Hemisphere is expected to increase the demand for electricity and thus the demand for coal. These factors contribute to expectations of stronger rates in the future. It is uncertain how high rates will go and whether they will be sustainable. Only time will tell. The market outcome may hinge on the strength of the economic recovery.
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# Grain Transportation Indicators

Table 1

**Grain Transport Cost Indicators[1]**

| | Truck | Rail[2] | Barge | Ocean | |
|---|---|---|---|---|---|
| Week ending | | | | Gulf | Pacific |
| 01/20/10 | 193 | 100 | 217 | 313 | 284 |
| 01/13/10 | 193 | 111 | 214 | 322 | 298 |

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

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

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

| Commodity | Origin--Destination | 1/15/2010 | 1/8/2010 |
|---|---|---|---|
| Corn | IL--Gulf | -0.76 | -0.74 |
| Corn | NE--Gulf | -0.82 | -0.75 |
| Soybean | IA--Gulf | -1.18 | -1.22 |
| HRW | KS--Gulf | -1.31 | -1.36 |
| HRS | ND--Portland | -2.11 | -1.95 |

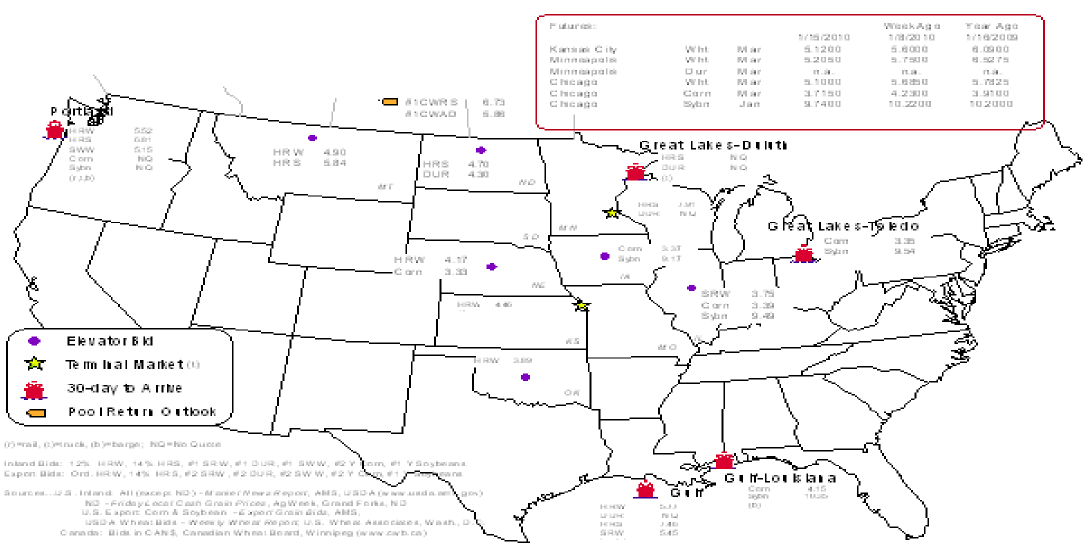
Note: nq = no quote

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 |
|---|---|---|---|---|---|---|
| 1/13/2010[p] | 278 | 1,088 | 518 | 2,659 | 1,718 | 6,261 |
| 1/06/2010[r] | 490 | 1,429 | 829 | 2,772 | 999 | 6,519 |
| 2010 YTD | 768 | 2,517 | 1,347 | 5,431 | 2,717 | 12,780 |
| 2009 YTD | 1,647 | 1,452 | 1,640 | 4,700 | 1,106 | 10,545 |
| 2010 YTD as % of 2009 YTD | 47 | 173 | 82 | 116 | 246 | 121 |
| Last 4 weeks as % of 2009[2] | 47 | 155 | 75 | 133 | 262 | 126 |
| Last 4 weeks as % of 4-year avg.[2] | 26 | 71 | 92 | 80 | 185 | 78 |
| Total 2009 | 33,423 | 57,646 | 36,738 | 175,965 | 30,328 | 334,100 |
| Total 2008 | 68,768 | 107,542 | 37,491 | 255,852 | 33,028 | 502,681 |

[1] Data is incomplete as it is voluntarily provided

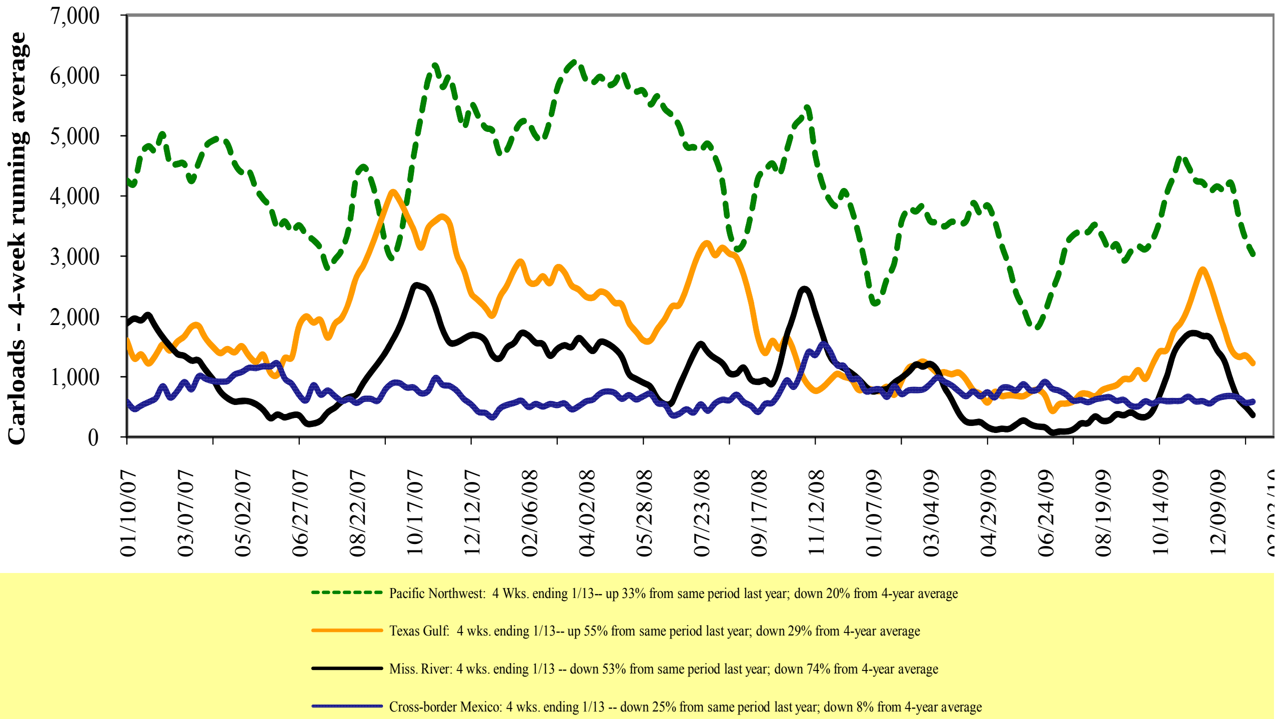
[2] Compared with same 4-weeks in 2008 and prior 4-year average.

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

Railroads originate approximately 35 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)

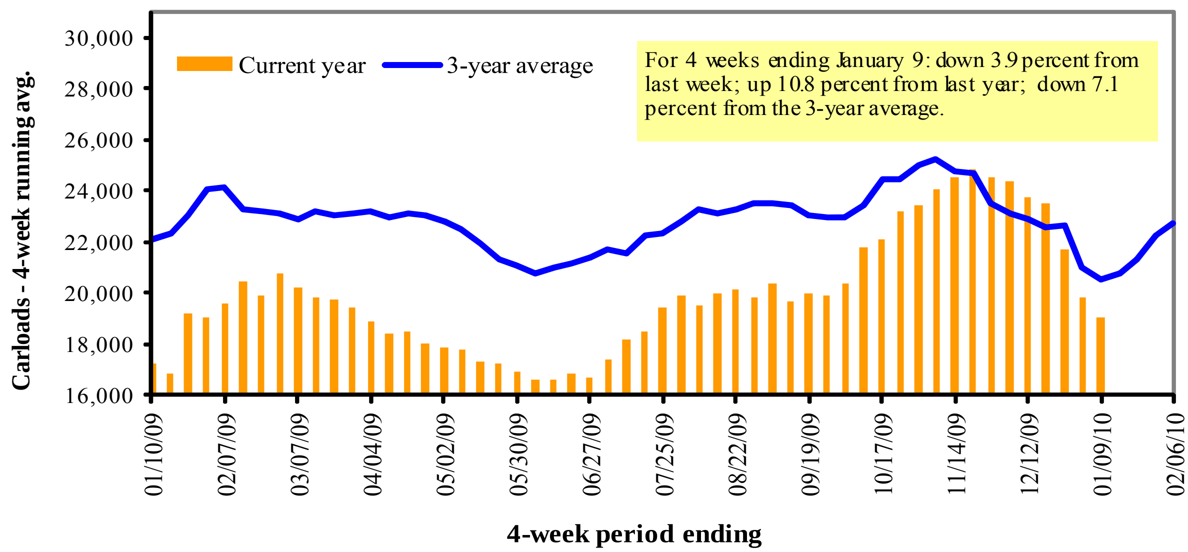
| | East | | West | | | U.S. total | Canada | |
|---|---|---|---|---|---|---|---|---|
| **Week ending** | **CSXT** | **NS** | **BNSF** | **KCS** | **UP** | | **CN** | **CP** |
| 01/09/10 | 2,583 | 2,715 | 9,156 | 575 | 4,414 | 19,443 | 3,791 | 5,195 |
| This week last year | 2,690 | 2,777 | 8,853 | 908 | 5,269 | 20,497 | 5,372 | 3,334 |
| 2010 YTD | 2,583 | 2,715 | 9,156 | 575 | 4,414 | 19,443 | 3,791 | 5,195 |
| 2009 YTD | 2,690 | 2,777 | 8,853 | 908 | 5,269 | 20,497 | 3,400 | 3,670 |
| 2010 YTD as % of 2009 YTD | 96 | 98 | 103 | 63 | 84 | 95 | 112 | 142 |
| Last 4 weeks as % of 2009[1] | 106 | 112 | 117 | 82 | 106 | 111 | 98 | 119 |
| Last 4 weeks as % of 3-yr avg.[1] | 79 | 101 | 95 | 88 | 93 | 93 | 74 | 104 |
| Total 2009 | 105,278 | 142,254 | 483,618 | 36,912 | 268,811 | 1,036,873 | | 278,997 |

[1]As a percent of the same period in 2008 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

## Rail Car Auction Offerings[1] ($/car)[2]

| **Week ending** | Delivery period | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **1/16/2009** | **Jan-10** | **Jan-09** | **Feb-10** | **Feb-09** | **Mar-10** | **Mar-09** | **Apr-10** | **Apr-09** |
| BNSF[3] | | | | | | | | |
| COT grain units | no offer | no offer | 0 | 0 | no bids | no bids | no bids | no bids |
| COT grain single-car[5] | no offer | no offer | 0 . . 12 | 0 | 0 | 0 | no bids | 0 |
| UP[4] | | | | | | | | |
| GCAS/Region 1 | no offer | no bids | no bids | no bids | no bids | no bids | no offer | no offer |
| GCAS/Region 2 | no offer | no bids | no bids | no bids | no bids | no bids | no offer | no offer |

[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.

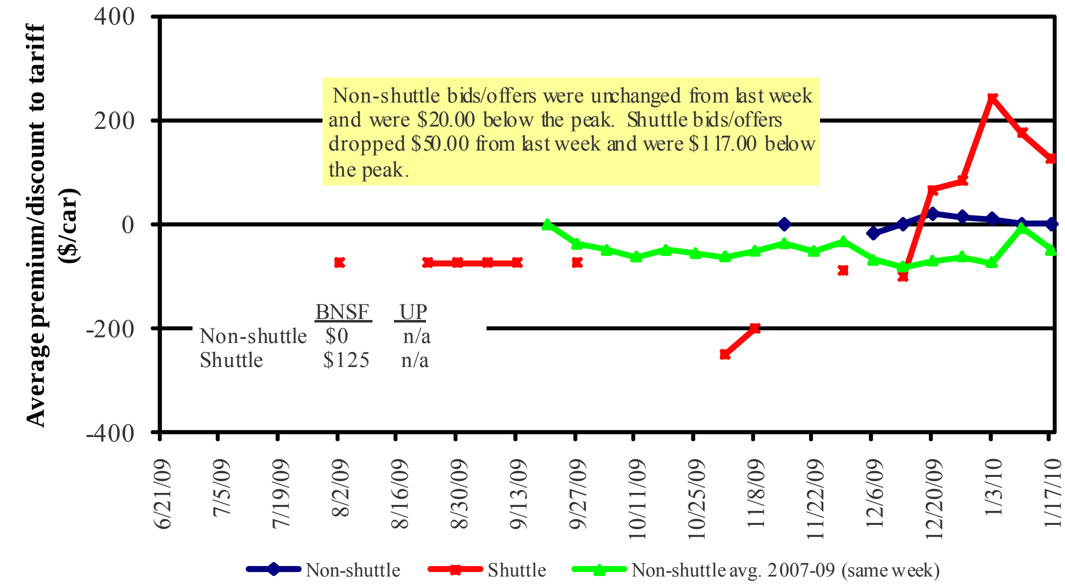
[5]Range is shown because average is not available. Not available = n/a.

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 January 2010, Secondary Market**

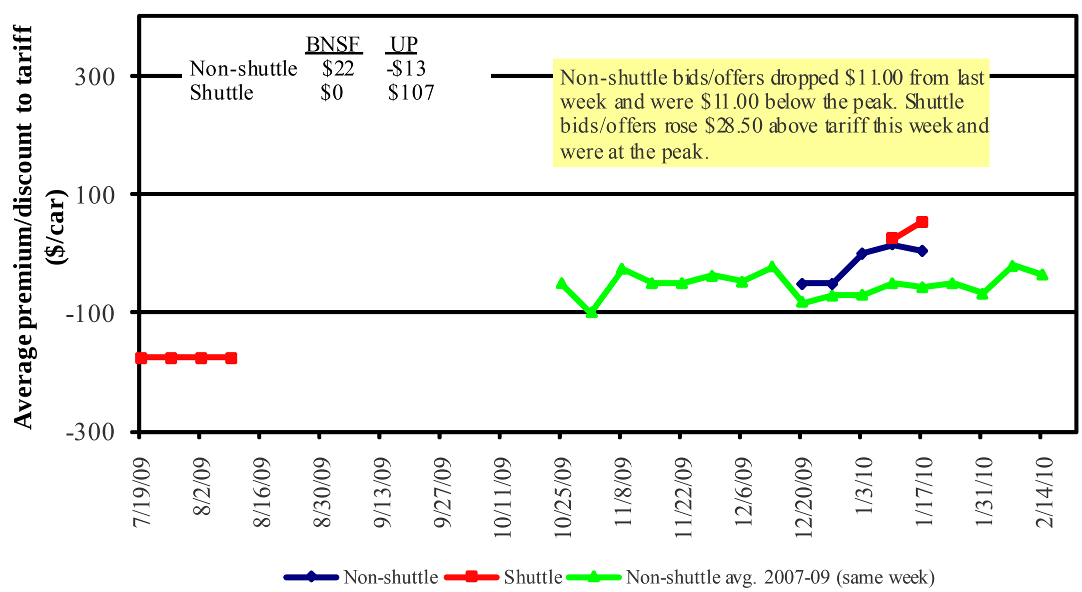



Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

**Bids/Offers for Railcars to be Delivered in February 2010, Secondary Market**

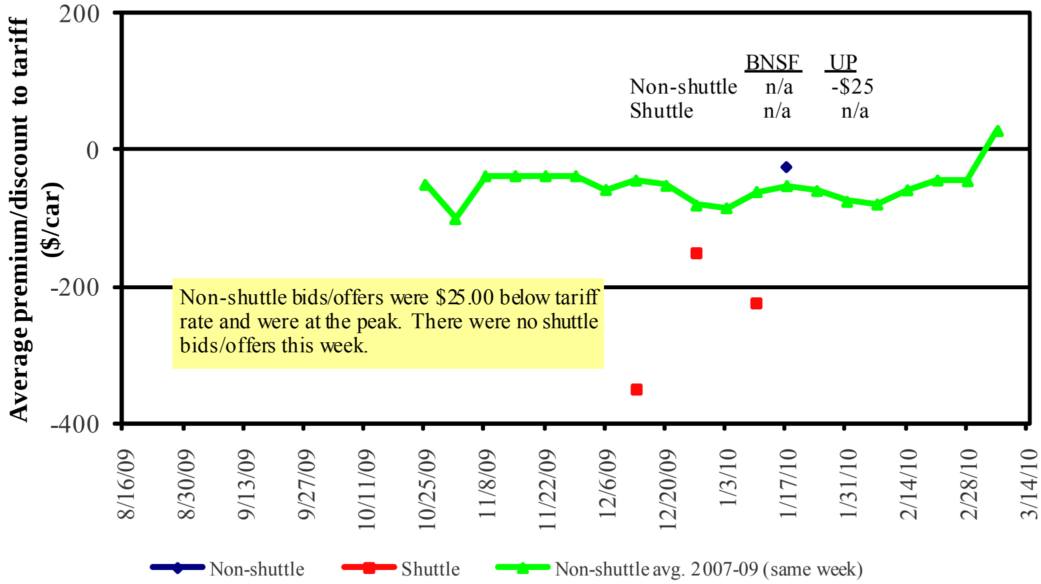



Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

## Bids/Offers for Railcars to be Delivered in March 2010, 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 Rail Car Market ($/car)[1]

| Week ending | Delivery period | | | | | |
|---|---|---|---|---|---|---|
| 1/16/2010 | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 |
| **Non-shuttle** | | | | | | |
| BNSF-GF | 0 | 22 | n/a | n/a | n/a | n/a |
| Change from last week | 0 | -28 | n/a | n/a | n/a | n/a |
| Change from same week 2008 | 50 | 42 | n/a | n/a | n/a | n/a |
| UP-Pool | n/a | -13 | -25 | n/a | n/a | n/a |
| Change from last week | n/a | 6 | n/a | n/a | n/a | n/a |
| Change from same week 2008 | n/a | 59 | 67 | n/a | n/a | n/a |
| **Shuttle**[2] | | | | | | |
| BNSF-GF | 125 | 0 | n/a | n/a | n/a | -158 |
| Change from last week | -150 | -25 | n/a | n/a | n/a | -8 |
| Change from same week 2008 | 300 | n/a | n/a | n/a | n/a | n/a |
| UP-Pool | n/a | 107 | n/a | n/a | n/a | -175 |
| Change from last week | n/a | 82 | n/a | n/a | n/a | 0 |
| Change from same week 2008 | n/a | 257 | 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 Shipments[1]**

| Effective date: 1/4/2010 | 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[1]** | | | | | | | |
| Wheat | Chicago, IL | Albany, NY | $2,622 | $96 | $29.96 | $0.82 | 6 |
| | Kansas City, MO | Galveston, TX | $2,678 | $116 | $30.79 | $0.84 | 5 |
| | South Central, KS | Galveston, TX | $3,655 | $274 | $43.31 | $1.18 | 7 |
| | Minneapolis, MN | Houston, TX | $3,799 | $555 | $47.99 | $1.31 | 6 |
| | St. Louis, MO | Houston, TX | $3,565 | $112 | $40.53 | $1.10 | 7 |
| | South Central, ND | Houston, TX | $5,348 | $617 | $65.75 | $1.79 | 1 |
| | Minneapolis, MN | Portland, OR | $4,200 | $674 | $53.72 | $1.46 | 5 |
| | South Central, ND | Portland, OR | $4,200 | $553 | $52.40 | $1.43 | 5 |
| | Northwest, KS | Portland, OR | $5,100 | $737 | $64.34 | $1.75 | 4 |
| | Chicago, IL | Richmond, VA | $2,834 | $175 | $33.17 | $0.90 | 9 |
| Corn | Chicago, IL | Baton Rouge, LA | $2,925 | $142 | $33.80 | $0.86 | -7 |
| | Council Bluffs, IA | Baton Rouge, LA | $3,020 | $151 | $34.96 | $0.89 | -7 |
| | Kansas City, MO | Dalhart, TX | $3,284 | $200 | $38.40 | $0.98 | 0 |
| | Minneapolis, MN | Portland, OR | $3,609 | $674 | $47.21 | $1.20 | 3 |
| | Evansville, IN | Raleigh, NC | $3,204 | $171 | $37.20 | $0.95 | 6 |
| | Columbus, OH | Raleigh, NC | $3,093 | $150 | $35.75 | $0.91 | 6 |
| | Council Bluffs, IA | Stockton, CA | $4,900 | $728 | $62.04 | $1.58 | -9 |
| Soybeans | Chicago, IL | Baton Rouge, LA | $3,178 | $142 | $36.59 | $1.00 | -5 |
| | Council Bluffs, IA | Baton Rouge, LA | $3,192 | $151 | $36.85 | $1.00 | -1 |
| | Minneapolis, MN | Portland, OR | $4,110 | $674 | $52.73 | $1.44 | -6 |
| | Evansville, IN | Raleigh, NC | $3,204 | $171 | $37.20 | $1.01 | 6 |
| | Chicago, IL | Raleigh, NC | $3,804 | $213 | $44.28 | $1.21 | 5 |
| **Shuttle Train** | | | | | | | |
| Wheat | St. Louis, MO | Houston, TX | $2,792 | $112 | $32.01 | $0.87 | 5 |
| | Minneapolis, MN | Portland, OR | $3,700 | $674 | $48.21 | $1.31 | 3 |
| Corn | Fremont, NE | Houston, TX | $2,520 | $408 | $32.27 | $0.82 | -1 |
| | Minneapolis, MN | Portland, OR | $3,528 | $674 | $46.32 | $1.18 | 4 |
| Soybeans | Council Bluffs, IA | Houston, TX | $2,787 | $395 | $35.08 | $0.95 | -1 |
| | Minneapolis, MN | Portland, OR | $3,774 | $674 | $49.03 | $1.33 | 6 |

[1]A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of 75-110 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 100 short tons (90.72 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

Table 8

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

| Effective date: 1/4/2010 | | | | Fuel | | | Percent |
|---|---|---|---|---|---|---|---|
| | Origin | | Tariff | surcharge | Tariff plus surcharge per: | | change |
| Commodity | state | Destination region | rate/car[1] | per car | metric ton | bushel[2] | Y/Y[3] |
| Wheat | MT | Chihuahua, CI | $6,205 | $627 | $69.81 | $1.90 | 4 |
| | OK | Cuautitlan, EM | $5,685 | $477 | $62.96 | $1.71 | 5 |
| | KS | Guadalajara, JA | $6,155 | $489 | $67.88 | $1.85 | 5 |
| | TX | Salinas Victoria, NL | $3,109 | $155 | $33.35 | $0.91 | 4 |
| Corn | IA | Guadalajara, JA | $6,570 | $568 | $72.93 | $1.98 | -3 |
| | SD | Penjamo, GJ | $6,440 | $821 | $74.19 | $2.02 | -3 |
| | NE | Queretaro, QA | $6,190 | $461 | $67.96 | $1.85 | 0 |
| | SD | Salinas Victoria, NL | $4,570 | $624 | $53.07 | $1.44 | -4 |
| | MO | Tlalnepantla, EM | $5,384 | $449 | $59.60 | $1.62 | 0 |
| | SD | Torreon, CU | $5,330 | $687 | $61.48 | $1.67 | -3 |
| Soybeans | MO | Bojay (Tula), HG | $5,994 | $488 | $66.23 | $1.80 | -1 |
| | NE | Guadalajara, JA | $6,375 | $559 | $70.85 | $1.93 | -2 |
| | IA | Penjamo (Celaya), GJ | $6,590 | $815 | $75.67 | $2.06 | 3 |
| | KS | Torreon, CU | $5,180 | $368 | $56.68 | $1.54 | 0 |
| Sorghum | OK | Cuautitlan, EM | $4,339 | $623 | $50.70 | $1.38 | 0 |
| | TX | Guadalajara, JA | $5,150 | $534 | $58.08 | $1.58 | 6 |
| | NE | Penjamo, GJ | $6,395 | $511 | $70.57 | $1.92 | 2 |
| | KS | Queretaro, QA | $5,488 | $356 | $59.71 | $1.62 | 0 |
| | NE | Salinas Victoria, NL | $4,392 | $372 | $48.67 | $1.32 | 0 |
| | NE | Torreon, CU | $5,240 | $421 | $57.84 | $1.57 | 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.

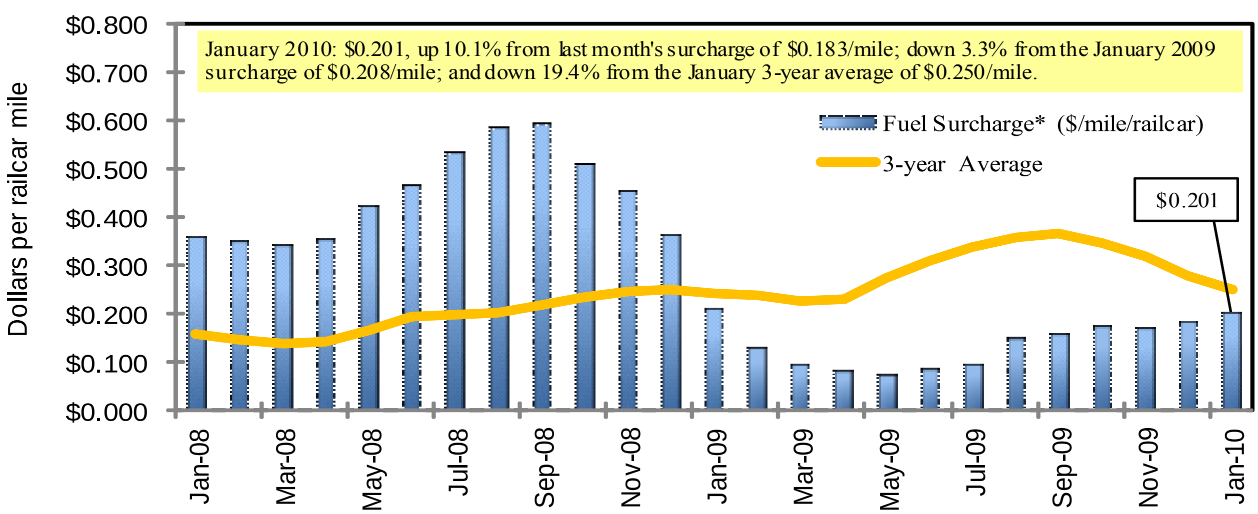
[2]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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

Figure 7

## Railroad Fuel Surcharges, North American Weighted Average[1]

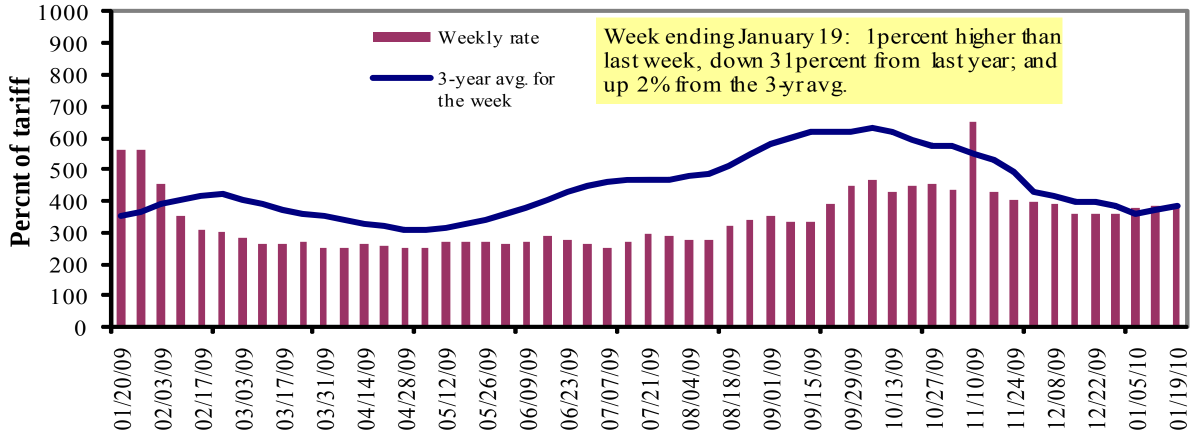



[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

# 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 | Illinois River | St. Louis | Cincinnati | Lower Ohio | Cairo-Memphis |
|---|---|---|---|---|---|---|---|---|
| **Rate[1]** | 1/19/2010 | - | - | 391 | 290 | 329 | 329 | 251 |
| | 1/12/2010 | - | - | 386 | 261 | 310 | 310 | 228 |
| **$/ton** | 1/19/2010 | - | - | 18.14 | 11.57 | 15.43 | 13.29 | 7.88 |
| | 1/12/2010 | - | - | 17.91 | 10.41 | 14.54 | 12.52 | 7.16 |
| **Current week % change from the same week:** | | | | | | | | |
| | Last year | - | - | -31 | -40 | -23 | -23 | -42 |
| | 3-year avg. [2] | - | - | 2 | -8 | -3 | -3 | -13 |
| **Rate[1]** | February | - | - | 360 | 273 | 315 | 315 | 239 |
| | April | 359 | 329 | 321 | 253 | 300 | 300 | 229 |

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds.
Source: Transportation & Marketing Programs/AMS/USDA

**Calculating barge rate per ton:**
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

**Benchmark tariff rates**

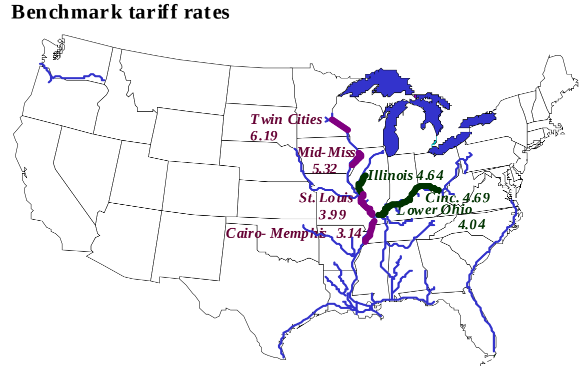
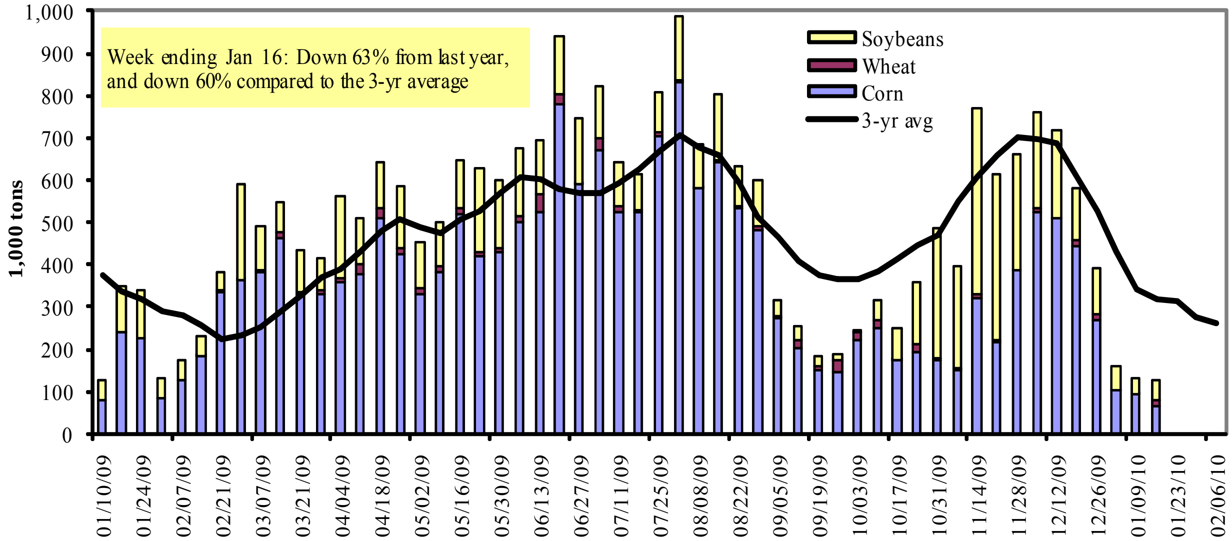


Figure 10

## 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 (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Table 10

## Barge Grain Movements (1,000 tons)

| Week ending 1/16/2010 | Corn | Wheat | Soybeans | Other | Total |
|---|---|---|---|---|---|
| **Mississippi River** | | | | | |
| Rock Island, IL (L15) | 0 | 0 | 0 | 0 | 0 |
| Winfield, MO (L25) | 0 | 0 | 0 | 0 | 0 |
| Alton, IL (L26) | 84 | 15 | 69 | 0 | 168 |
| Granite City, IL (L27) | 67 | 14 | 47 | 0 | 128 |
| **Illinois River (L8)** | 86 | 3 | 47 | 0 | 136 |
| **Ohio River (L52)** | 106 | 24 | 161 | 0 | 291 |
| **Arkansas River (L1)** | 0 | 3 | 41 | 1 | 45 |
| Weekly total - 2010 | 173 | 41 | 249 | 1 | 464 |
| Weekly total - 2009 | 400 | 10 | 229 | 0 | 639 |
| 2010 YTD[1] | 436 | 61 | 547 | 23 | 1,067 |
| 2009 YTD | 830 | 19 | 554 | 8 | 1,411 |
| 2010 as % of 2009 YTD | 53 | 321 | 99 | 288 | 76 |
| Last 4 weeks as % of 2009[2] | 79 | 329 | 103 | 200 | 94 |
| Total 2009 | 23,424 | 1,501 | 10,465 | 430 | 35,819 |

[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 r

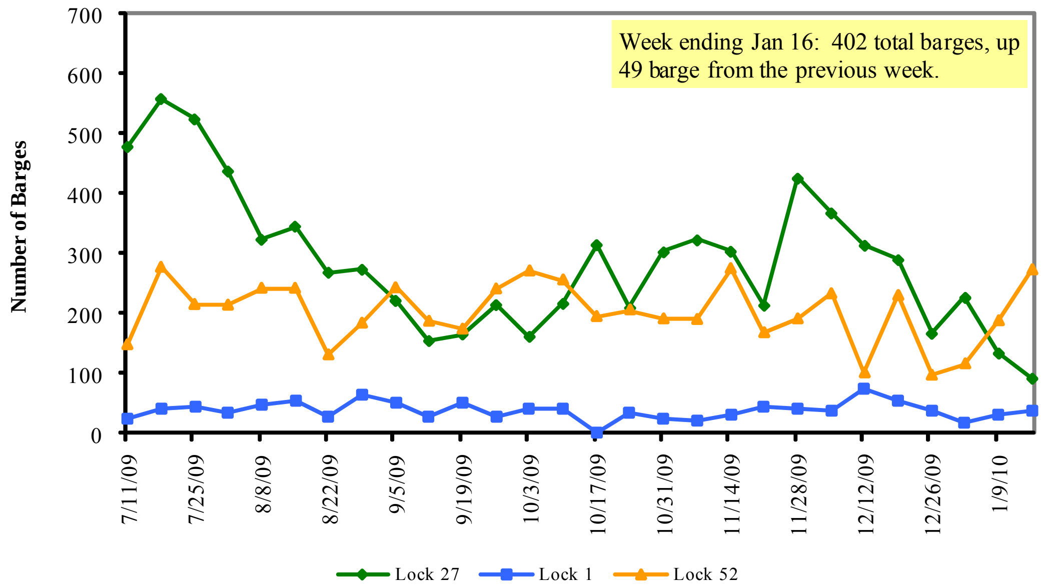
[2] As a percent of same period in 2009.

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

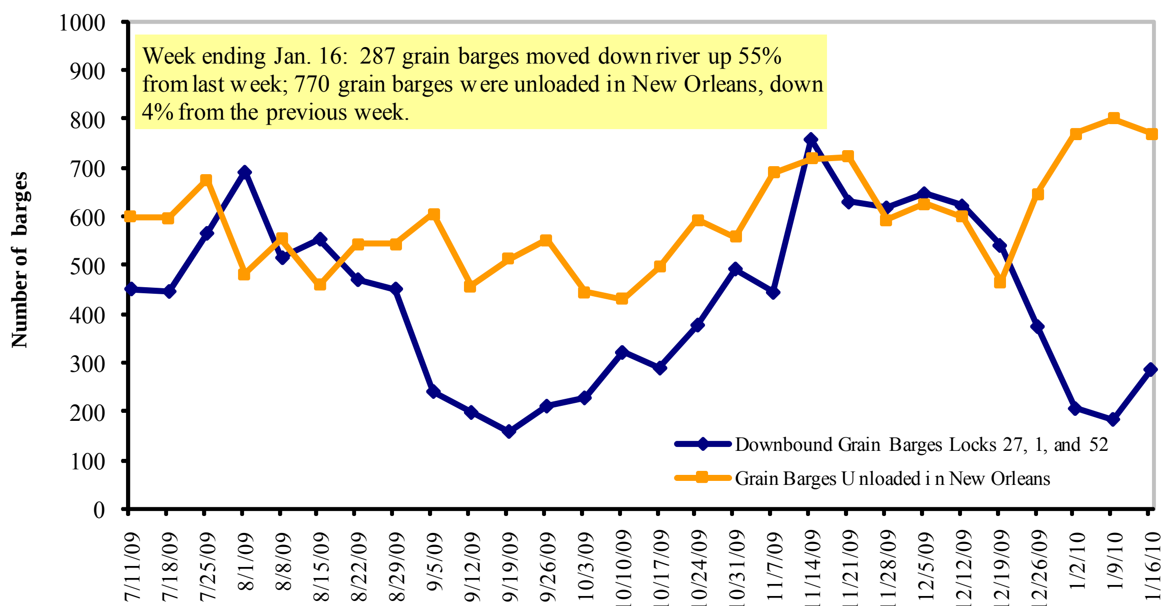
**Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52**




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 1/18/2010 (US$/gallon)**

| Region | Location | Price | Change from Week ago | Change from Year ago |
|---|---|---|---|---|
| I | East Coast | 2.923 | 0.001 | 0.546 |
| | New England | 3.065 | -0.003 | 0.452 |
| | Central Atlantic | 3.023 | -0.003 | 0.509 |
| | Lower Atlantic | 2.867 | 0.003 | 0.570 |
| II | Midwest[2] | 2.834 | -0.010 | 0.570 |
| III | Gulf Coast[3] | 2.831 | -0.015 | 0.604 |
| IV | Rocky Mountain | 2.827 | 0.013 | 0.578 |
| V | West oast C | 2.947 | -0.024 | 0.609 |
| | California | 3.008 | -0.024 | 0.689 |
| Total | U.S. | 2.870 | -0.009 | 0.574 |

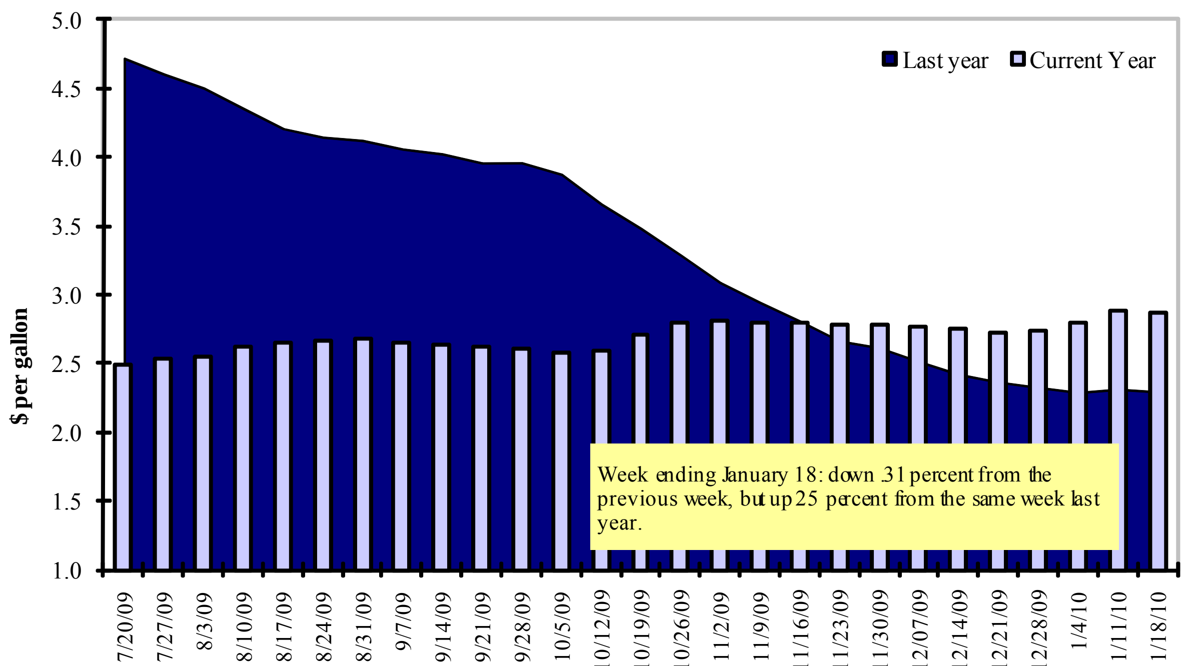
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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] | | | | | | | | | |
| 1/7/2010 | 1,323 | 478 | 882 | 671 | 214 | 3,568 | 10,829 | 11,648 | 26,045 |
| This week year ago | 1,577 | 705 | 804 | 561 | 91 | 3,738 | 7,307 | 7,211 | 18,256 |
| **Cumulative exports-marketing year**[2] | | | | | | | | | |
| 2009/10 YTD | 4,719 | 1,803 | 2,995 | 2,475 | 674 | 12,666 | 14,876 | 21,314 | 48,856 |
| 2008/09 YTD | 8,640 | 3,810 | 3,578 | 1,853 | 304 | 18,184 | 14,210 | 15,033 | 47,427 |
| YTD 2009/10 as % of 2008/09 | 55 | 47 | 84 | 134 | 222 | 70 | 105 | 142 | 103 |
| Last 4 wks as % of same period 2008/09 | 87 | 70 | 116 | 123 | 251 | 99 | 155 | 176 | 152 |
| 2008/09 Total | 11,244 | 5,100 | 5,408 | 3,420 | 454 | 25,626 | 44,650 | 33,705 | 103,981 |
| 2007/08 Total | 13,709 | 5,568 | 7,842 | 4,191 | 1,075 | 32,385 | 59,666 | 30,411 | 122,462 |

[1] Current unshipped export sales to date

[2] Shipped export sales to date; new marketing year is now 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 Importers[1] of U.S. Corn**

| **Week ending 01/07/10** | **Total Commitments[2]** | | **% change** | **Exports[3]** |
|---|---|---|---|---|
| | **2009/10** | **2008/09** | **current MY** | |
| | **Current MY** | **Last MY** | **from last MY** | **2008/09** |
| | - 1,000 mt - | | | - 1,000 mt - |
| Japan[4] | 6,888 | 7,780 | (11) | 15,910 |
| Mexico | 5,232 | 4,747 | 10 | 7,454 |
| Korea | 3,424 | 1,515 | 126 | 5,129 |
| Taiwan | 1,625 | 1,059 | 53 | 3,198 |
| Egypt | 830 | 731 | 14 | 2,233 |
| **Top 5 importers** | **17,998** | **15,832** | **14** | **33,924** |
| **Total US corn export sales[5]** | **25,705** | **21,517** | **19** | **45,214** |
| % of Projected | 49% | 46% | | |
| Change from Last Week | 327 | 216 | | |
| **Top 5 importers' share of U.S. corn export sales** | 70% | 74% | | |
| **USDA forecast, January 2010** | **52,070** | **47,180** | **10** | |
| **Corn Use for Ethanol USDA forecast, January 2010** | **106,680** | **93,396** | **14** | |

(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.

[3]FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4]Not included - FAS Press Release: **106,680 mt** on 01/13/10 to Japan for 2009/10.

[5]Not included - FAS Press Release: **116,000 mt** on 01/15/10 to Unknown for 2009/10.

Table 14

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

| Week ending 01/07/10 | Total Commitments[2] 2009/10 Current MY | 2008/09 Last MY | % change current MY from last MY | Exports[3] 2008/09 |
|---|---|---|---|---|
| | - 1,000 mt - | | | - 1,000 mt - |
| China | 20,285 | 12,733 | 59 | 18,681 |
| Mexico | 1,546 | 1,391 | 11 | 3,098 |
| Japan 1, | 514 | 1,875 | (19) | 2,410 |
| EU-25 | 1,669 | 1,644 | 2 | 2,180 |
| Taiwan | 1,100 | 861 | 28 | 1,592 |
| **Top 5 importers** | **26,113** | **18,503** | **41** | **27,961** |
| **Total US soybean export sales** | **32,961** | **22,243** | **48** | |
| % of Projected | 88% | 64% | | |
| Change from last week | 696 | 1,362 | | |
| **Top 5 importers' share of U.S. soybean export sales** | 79% | 83% | | |
| **USDA forecast, January 2010** | **37,420** | **34,930** | **7** | |
| **Soybean Use for Biodiesel USDA forecast, January 2010** | **5,275** | **4,566** | **16** | |

(n) indicates negative number.

[1]Based on FAS 2006/07 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.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

## Top 10 Importers[1] of All U.S. Wheat

| Week Ending 01/07/2010 | Total Commitments[2] 2009/10 Current MY | 2008/09 Last MY | % change current MY from last MY | Exports[3] 2008/09 |
|---|---|---|---|---|
| | - 1,000 mt - | | | - 1,000 mt - |
| Japan | 2,201 | 2,340 | (6) | 3,103 |
| Nigeria | 2,330 | 2,302 | 1 | 2,661 |
| Mexico | 1,371 | 2,144 | (36) | 2,423 |
| Egypt 456 | | 1,725 | (74) | 1,928 |
| Philippines | 1,319 | 1,276 | 3 | 1,480 |
| Iraq | 300 | 1,205 | (75) | 1,205 |
| Korea, South | 883 | 851 | 4 | 1,127 |
| Brazil | 212 | 790 | (73) | 789 |
| Colombia | 434 | 653 | (33) | 749 |
| Taiwan | 617 | 429 | 44 | 714 |
| **Top 10 importers** | **10,122** | **13,714** | **(26)** | **16,179** |
| **Total US wheat export sales** | **16,234** | **21,922** | **(26)** | **27,640** |
| % of Projected | 72% | 79% | | |
| Change from last week | 182 | 88 | | |
| **Top 10 importers' share of U.S. wheat export sales** | 62% | 63% | | |
| **USDA forecast, January 2010** | **22,450** | **27,640** | **(19)** | |

(n) indicates negative number.

[1]Based on FAS **2008/09** 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.

[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 01/14/10 | 2010 YTD[1] | 2009 YTD[1] | 2010 YTD as % of 2009 YTD | Last 4-weeks as % of 2009 | Last 4-weeks as % of 3-yr. avg. | Total[1] 2009 |
|---|---|---|---|---|---|---|---|
| **Pacific Northwest** | | | | | | | |
| Wheat | 124 | 321 | 413 | 78 | 105 | 71 | 10,091 |
| Corn | 178 | 263 | 180 | 146 | 170 | 152 | 8,498 |
| Soybeans | 104 | 408 | 321 | 127 | 134 | 127 | 9,743 |
| **Total** | **406** | **991** | **913** | **109** | **134** | **109** | **28,332** |
| **Mississippi Gulf** | | | | | | | |
| Wheat | 52 | 80 | 186 | 43 | 72 | 67 | 4,019 |
| Corn | 484 | 877 | 899 | 98 | 101 | 76 | 28,846 |
| Soybeans | 951 | 1,680 | 1,194 | 141 | 185 | 203 | 21,853 |
| **Total** | **1,486** | **2,637** | **2,280** | **116** | **141** | **127** | **54,718** |
| **Texas Gulf** | | | | | | | |
| Wheat | 80 | 176 | 144 | 122 | 105 | 102 | 5,735 |
| Corn | 43 | 43 | 2 | 2,407 | 409 | 56 | 1,968 |
| Soybeans | 49 | 156 | 0 | n/a | n/a | 1,058 | 2,402 |
| **Total** | **172** | **375** | **146** | **257** | **195** | **161** | **10,105** |
| **Great Lakes** | | | | | | | |
| Wheat | 0 | 2 | 0 | n/a | 30 | 69 | 990 |
| Corn | 0 | 0 | 0 | n/a | 0 | 0 | 338 |
| Soybeans | 0 | 0 | 0 | n/a | 0 | 0 | 781 |
| **Total** | **0** | **2** | **0** | **n/a** | **7** | **10** | **2,109** |
| **Atlantic** | | | | | | | |
| Wheat | 0 | 0 | 0 | n/a | n/a | 2 | 547 |
| Corn | 0 | 16 | 12 | 127 | 185 | 36 | 472 |
| Soybeans | 7 | 54 | 52 | 104 | 336 | 301 | 1,266 |
| **Total** | **7** | **69** | **64** | **109** | **314** | **148** | **2,285** |
| **U.S. total from ports[2]** | | | | | | | |
| Wheat | 256 | 580 | 743 | 78 | 98 | 76 | 21,382 |
| Corn | 705 | 1,198 | 1,093 | 110 | 118 | 87 | 40,122 |
| Soybeans | 1,112 | 2,298 | 1,567 | 147 | 187 | 199 | 36,045 |
| **Total** | **2,072** | **4,076** | **3,403** | **120** | **144** | **125** | **97,549** |

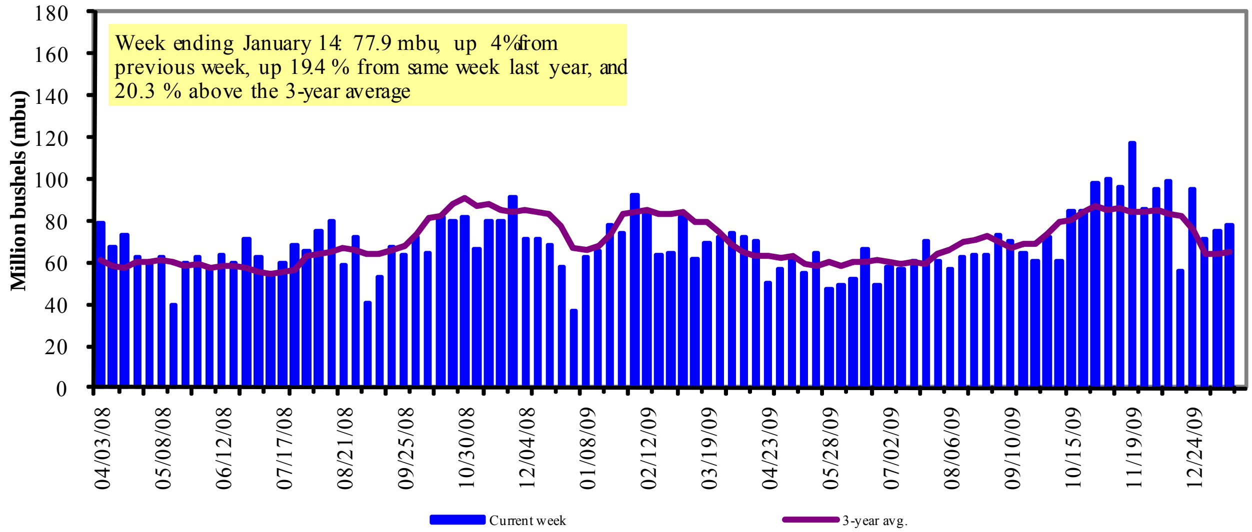
[1] Includes weekly revisions, some regional totals may not add exactly due to rounding.

[2] Total includes only port regions shown above

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

Figure 14

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

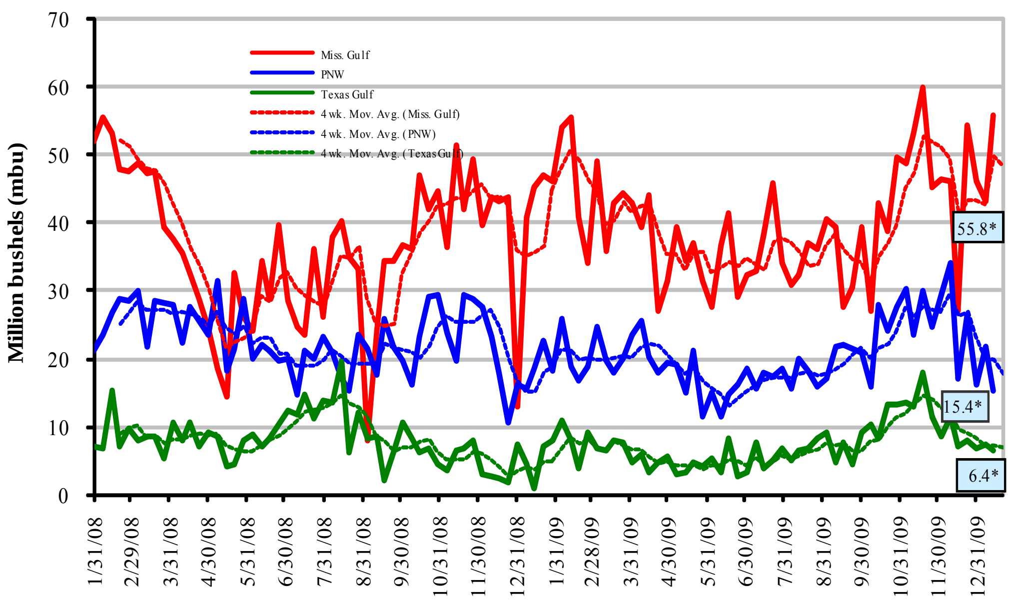



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

**Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)**




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

| January 14, % change from: | MS Gulf | TX Gulf | U.S. Gulf | PNW |
|---|---|---|---|---|
| Last week | up 29 | down 14 | up 23 | down 29 |
| Last year (same week) | up 586 | up 68 | up 35 | down 17 |
| 3-yr avg. (4-wk mov. avg.) | up 41 | up 52 | up 41 | down 38 |

# Ocean Transportation

Table 17

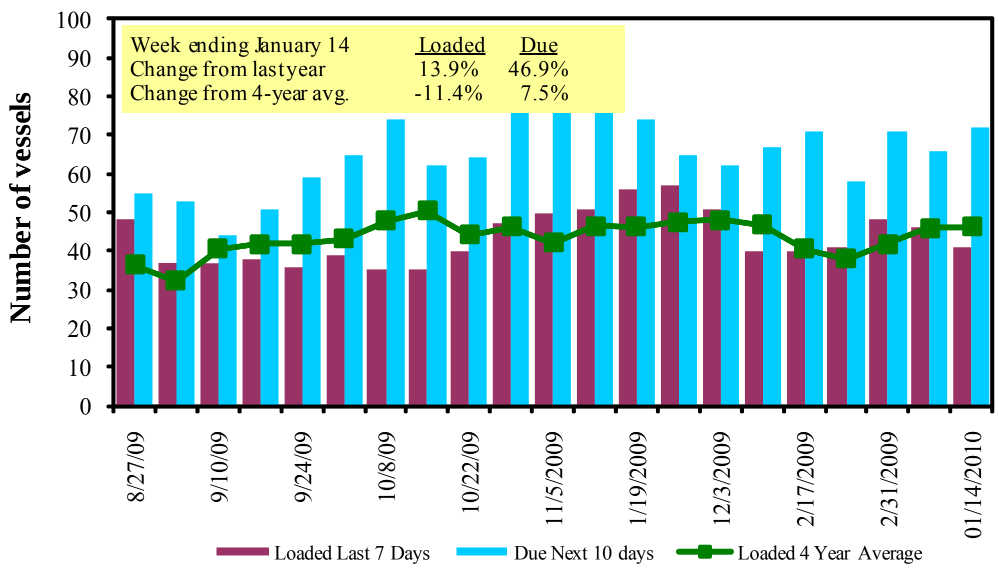
**Weekly Port Region Grain Ocean Vessel Activity (number of vessels)**

| | Gulf | | | Pacific Northwest | Vancouver B.C. |
|---|---|---|---|---|---|
| Date | In port | Loaded 7-days | Due next 10-days | In port | In port |
| 1/14/2010 | 50 | 41 | 72 | 18 | 12 |
| 1/7/2010 | 54 | 46 | 66 | 14 | 7 |
| 2009 range | (18..72) | (21..57) | (37..86) | (2..19) | (3..19) |
| 2009 avg. | 37 | 39 | 55 | 10 | 9 |

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

**U.S. Gulf[1] Vessel Loading Activity**




Source:Transportation & Marketing Programs/AMS/USDA

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

Figure 17

**Grain Vessel Rates, U.S. to Japan**

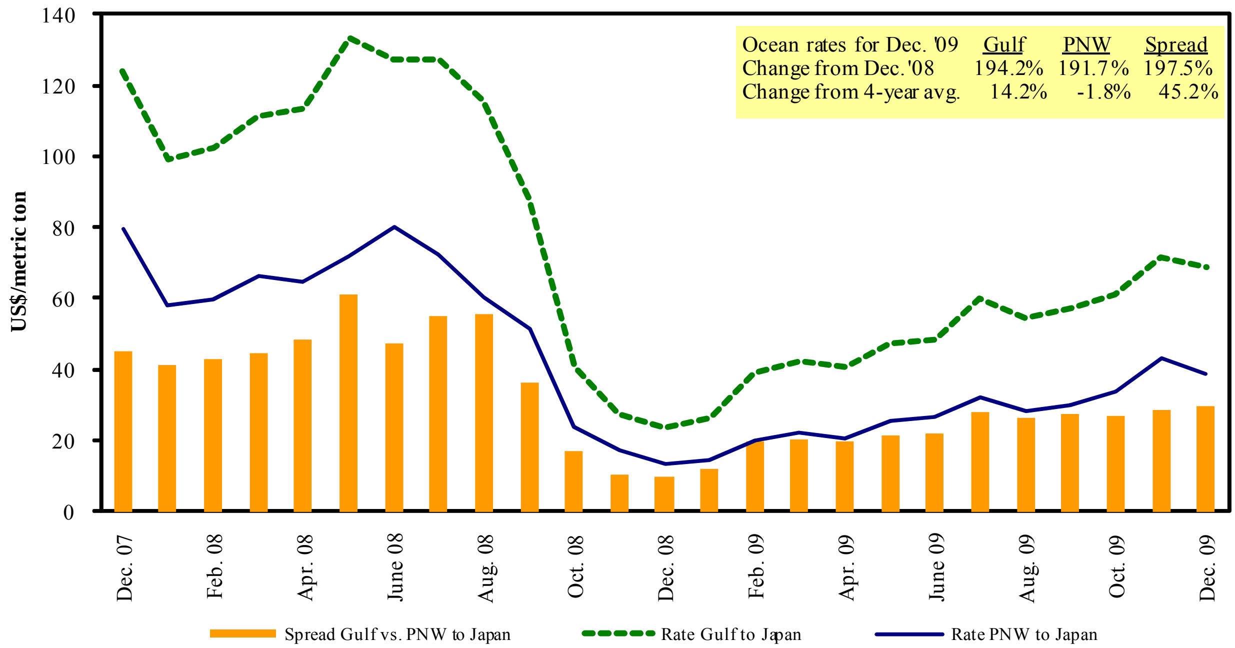



Table 18

**Ocean Freight Rates For Selected Shipments, Week Ending 1/16/2010**

| Export region | Import region | Grain types | Loading date | Volume loads (metric tons) | Freight rate (US$/metric ton) |
|---|---|---|---|---|---|
| U.S. Gulf | Egyptian Mediterranean | Hvy Grain | Jan 7/12 | 60,000 | 39.00 |
| U.S. Gulf | Djibouti[1] | Wheat | Jan 1/10 | 2,770 | 114.50 |
| U.S. Gulf | China | Hvy Grain | Oct 20/30 | 55,000 | 54.00 |
| U.S. Gulf | Morocco | Hvy Grain | Aug 25/Sep 5 | 25,000 | 38.00 |
| Brazil | France | Grains | Sep 10/20 | 20,000 | 34.00 |
| Brazil | France | Soybeanmeal | Aug 18/28 | 25,000 | 34.50 |
| Brazil | Ireland | Grain | Dec 25/30 | 25,000 | 43.50 |
| Brazil | Morocco | Corn | Oct 25/Nov 5 | 25,000 | 29.00 |
| Ukraine | Kenya | Wheat | Dec 25/30 | 25,000 | 52.00 |
| Ukraine | Mediterranean | Wheat | Dec 14/18 | 30,000 | 20.00 |
| France | Algeria | Wheat | Nov 5/15 | 25,000 | 29.50 |
| France | Algeria | Wheat | Oct 20/30 | 25,000 | 27.25 |
| France | Algeria | Wheat | Sep 25/30 | 25,000 | 25.50 |
| France | Algeria | Wheat | Sep 1/5 | 25,000 | 24.00 |
| France | Algeria | Hvy Grain | Jan 15/20 | 28,500 | 28.25 |
| River Plate | Continent | Grain | Dec 20/28 | 25,000 | 36.50 |
| River Plate | Continent | Grain | Dec 1/10 | 25,000 | 48.00 |
| River Plate | Continent | Grain | Nov 25/30 | 25,000 | 40.00 |
| River Plate | Poland | Grains | Sep 1/20 | 24,000 | 37.25 |
| River Plate | Poland | Soybeanmeal | Sep 5/15 | 25,000 | 37.75 |

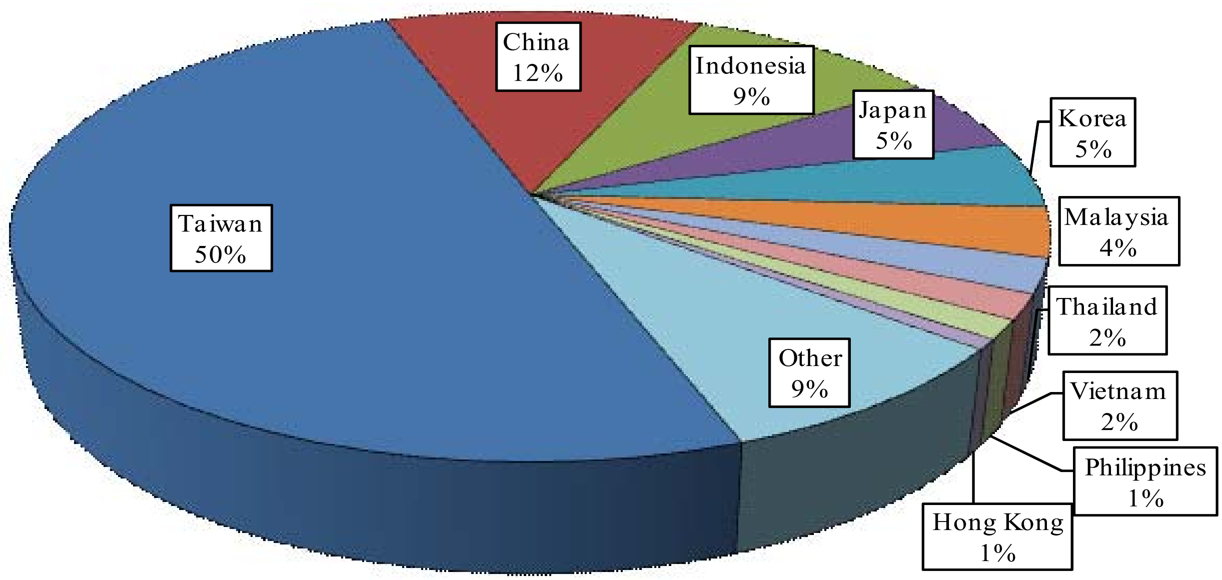
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

During 2008, containers were used to transport 6 percent of total U.S. waterborne grain exports, and 9 percent of U.S. grain exports to Asia.

Figure 18

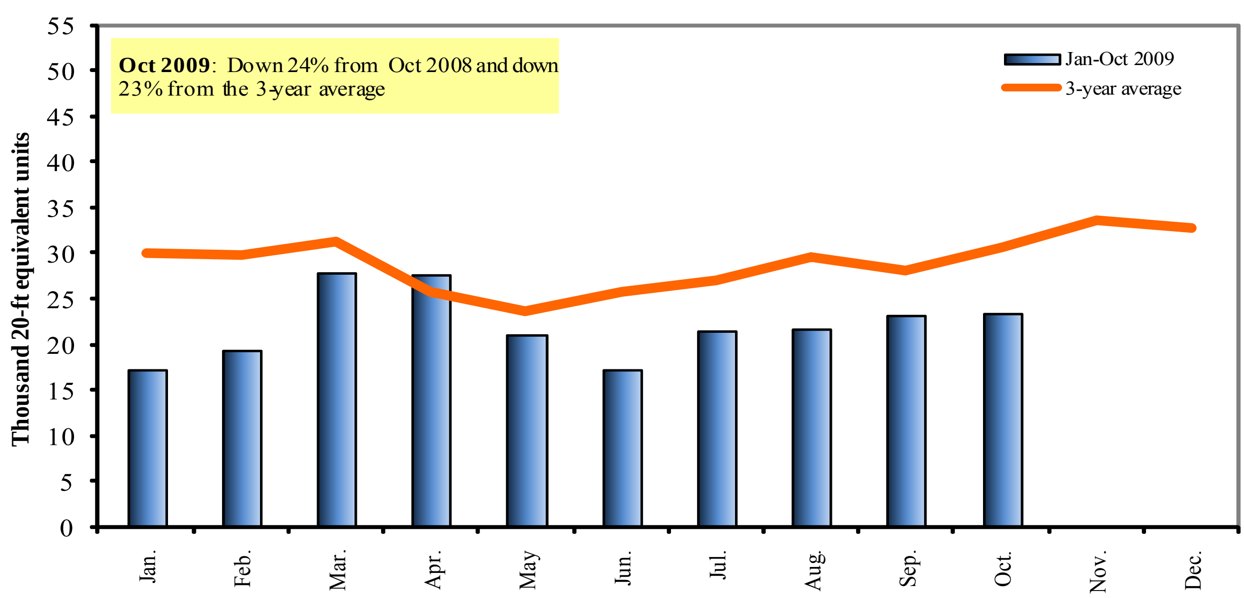
**Top 10 Destination Markets for U.S. Containerized Grain Exports, October 2009**




Source: Port Import Export Reporting Service (PIERS)

Figure 19

**Monthly Shipments of Containerized Grain to Asia**




Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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*Ocean Rate Bulletin*