



WEEKLY HIGHLIGHTS

February 18, 2010

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Bulk Ocean Freight Rates Continue to Fall

Ocean freight rates for shipping grain have dropped for 5 consecutive weeks. As of February 12, the cost of shipping grain from the Gulf to Japan was \$61 per mt—down 15 percent from \$72 during the week ending January 8. The rate from the Pacific Northwest to Japan was \$35 per mt—down 17 percent from \$42 during the week ending January 8. The lull in the freight market is attributed to preparations for the Chinese New Year Holiday, which began on Sunday, February 14; celebrations will continue for 15 days. Ocean rates are expected to continue falling during this period as fewer cargoes are being shipped because of the temporarily reduced activity in China.

Berkshire Hathaway Completes the Purchase of BNSF Railway

On February 12, BNSF officially became part of Berkshire Hathaway after a BNSF shareholders vote on the previous day approved the company's acquisition. BNSF is the second largest U.S. railroad and is the largest U.S. grain-hauling railroad, originating 43 percent of the grain hauled by U.S. Class I railroads. BNSF issued a statement that shippers should not expect to see any changes in how the railroad operates or handles their shipments.

Weekly Grain Inspections Down

For the week ending February 11, total inspections of grain (corn, wheat, and soybeans) from major U.S. export regions reached 1.92 million metric tons (mmt), down 6 percent from the previous week and 15 percent below last year at this time. Despite the drop in total inspections, soybean inspections increased about 3 percent from the previous week as shipments to China continued. Wheat and corn inspections, however, dropped for the second consecutive week. Grain inspections also decreased in the Mississippi Gulf and the Pacific Northwest. Inspections of grain in the Texas Gulf, however, rebounded as shipments of each major grain increased compared to the previous week.

Snapshots by Sector

Rail

U.S. Railroads originated 21,973 **carloads of grain** during the week ending February 6, down 7 percent from last week, 3 percent from the same week last year, and 6 percent lower than the 3-year average.

During the week ending February 13, average February **secondary railcar bids/offers** were \$82 above tariff for non-shuttle, \$51 higher than last week. Shuttle rates were \$400 above tariff, \$31 higher than last week.

Ocean

During the week ending February 4, 44 **ocean-going grain vessels** were loaded in the U.S. Gulf, up 2 percent from last year. Sixty vessels are due to be loaded within the next 10 days, down 14 percent from the same period last year.

Barge

During the week ending February 13, **barge grain movements** totaled 676,193 tons, 2 percent lower than the previous week but 32 percent higher than the same period last year.

Fuel

During the week ending February 15, U.S. average **diesel fuel prices** decreased 1 cent per gallon to \$2.76, 0.5 percent lower than the previous week, but 26 percent higher than the same week last year.

Feature Article/Calendar

Record Grain Production Expected to Increase Transportation Demand

In 2009, the U.S. transportation system battled an economic recession that lowered freight activity, but increased operating efficiency for the major transportation modes. For most of the year, agricultural shipments were somewhat of a bright spot in falling only slightly, compared to the more dramatic decline for other sectors. Many industry experts believe that much of the higher operating efficiencies gained during the recession, especially in rail, will continue in 2010 while the economy comes out of recession. This development comes at a time when grain production in 2009 and beyond is at a record level.

USDA estimates total production of corn, wheat, and soybeans in 2009 to be 18.73 billion bushels (bbu)—up 1.17 billion bushels or 6.7 percent from 2008 (see table). The 2009 corn crop is projected to be the highest on record at 13.15 bbu, up more than 1 bbu (8.8 percent) from 2008. Wheat production is expected to decrease by .28 bbu (11.3 percent) while soybean production is projected to increase .39 bbu (13.3 percent). Total use of the three major commodities is expected to increase by 6 percent. The projected increase in use is due to export growth for corn and soybeans compared to last year and increases in the domestic usage of corn for ethanol and feed and soybeans for crush. The increased domestic usage expectations may be due to the U.S. economy coming out of the recession and a projected increase in growth rates.

The latest 2010/11 USDA crop projections forecast South American soybean production to reach record levels. This could decrease U.S. soybean export potential. Additionally, global feed wheat production is forecasted to increase in 2010/11, possibly further reducing U.S. corn export prospects. However, according to several recent USDA reports¹, increases in global economic growth could more than absorb the additional feed production.

U.S. Grain Production and Use (billion bushels)				
	2008/09	2009/10	Percent Change	
Corn				
Production	12.09	13.15	8.8%	
Domestic use	10.20	11.12	9.0%	
Export	1.86	2.00	7.6%	
Soybeans				
Production	2.97	3.36	13.3%	
Domestic use	1.76	1.90	7.6%	
Export	1.28	1.40	9.1%	
Wheat				
Production	2.50	2.22	-11.3%	
Domestic use	1.26	1.18	-6.2%	
Export	1.02	0.83	-18.7%	
Total				
Production	17.56	18.73	6.7%	
Domestic use	13.22	14.19	7.4%	
Export	4.16	4.23	1.7%	

Source: USDA, World Agricultural Supply and Demand Estimates, February 9, 2010

Moderate Ocean Freight Rates May Boost U.S. Exports in 2010. Although ocean freight rates for shipping bulk grain are higher than this period last year, they are below the record levels seen in 2008 and the peak level of 2009. Ocean freight rates are expected to be moderate during the larger part of 2010 as the global economy has not fully recovered from the economic slowdown. In addition, more vessels are scheduled for delivery between now and 2012. Finally, scrapping of older vessels has been slower than expected in 2009. With the record crop of 2009 and a projected increase in exports, moderate ocean freight rates could be a plus.

Challenges for Containerized Grain Shippers Continue in 2010

Containerized agricultural shippers faced fewer vessel calls, slower transit times, and insufficient container availability in 2009. Much of the same is expected in 2010. Ocean container carriers worked to make containers available at the end of the year in time to move the delayed harvest. However, by the first part of 2010 container availability challenges had returned. The ocean container carriers report that through the first half of 2010 containerized agricultural shippers should expect continued container availability challenges, several rounds of general rate increases, and limited vessel space and service. As other trade lanes around the world show signs of economic recovery, ocean carriers will likely target these trade lanes using the few ships and containers currently in operation.

¹ For more information see: USDA Foreign Agricultural Service (FAS); [Outlook for U.S. Agricultural Trade](#) and the USDA Economic Research Service (ERS); [Feed Outlook](#)

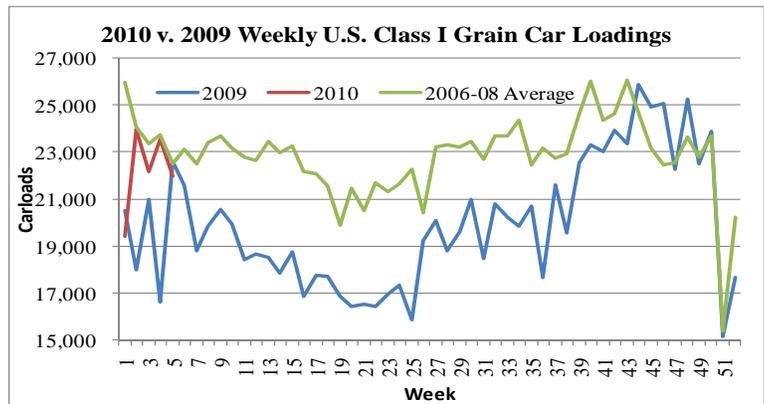
2009 Grain Barge Movements Increase; Potential for 2010 Flooding May Impact Barge Traffic

In 2009, grain barge movements rebounded due to less adverse weather conditions than in 2008. This winter, however, there have been significant accumulations of ice and snow in the central part of the United States that will eventually melt and could impact navigation this spring. With potential spring flooding for much of the Mississippi River system in 2010, barge traffic may see a reduction in traffic compared to the rebounded volumes of 2009.

A significant increase in the number of barges through Mississippi River Locks 27 occurred from 2008 to 2009 (see table). In 2008, there was long-term flooding that stopped Mississippi River traffic for a combined total of about 2 months. Unlike the other years in the table, 2008 was unique in that a majority of the barges delivered to New Orleans did not originate from the locking section of the Upper Mississippi River. Locks 27 is the last set of locks on the Mississippi River and handle traffic originating on the Upper Mississippi and Illinois Rivers. Other originations for New Orleans-bound barges include the Ohio and Arkansas Rivers as well as the lower Mississippi River below Locks 27. It is also likely that some of the grain may have been railed to river-loading facilities below the locking section of the rivers.

ANNUAL DOWNBOUND GRAIN BARGES		
Year	THROUGH LOCKS 27	DELIVERED NEW ORLEANS
2006	18,407	29,751
2007	17,288	31,987
2008	12,840	27,563
2009	17,397	30,202

Rail Grain Car Loading Expected to Increase in 2010. Except for the first week of 2010, Class I railroad grain car loadings have been above 2009 loadings, but down from the 2006-08 average. For the first five weeks of 2010, grain loadings are down 7.1 percent (111,058 rail cars from 119,546) compared to the 2006-08 average. Due to the large 2009/10 grain and oilseeds crop, railcar loadings for 2010 are expected to be close to the 2006-08 average.



During fall 2009, rains delayed grain harvest in many grain producing states, resulting in delayed rail transportation of the harvested crops. By week 44 (ending November 7), 2009 weekly grain car loadings began to exceed the 2006-08 average. During the last 9 weeks of 2009, Class I railroads originated 202,562 railcars of grain, a 2.0 percent increase over the 2006-08 average.

Average Crude Oil and Diesel Fuel Prices Forecast to Increase

According to the Energy Information Administration’s (EIA) latest Short-Term Energy Outlook, the world crude oil market should gradually tighten in 2010 and 2011, as the global economic recovery continues and world oil demand begins to grow again. The EIA predicts that oil prices will remain stable, around \$75 per barrel, through February and March then increase to over \$80 per barrel by summer. Diesel fuel prices are expected to follow the same slow upward trend as crude oil prices. The EIA forecasts the average diesel fuel price in 2010 to be 2.95 per gallon—20 percent higher than last year. Diesel fuel prices have a direct affect on both truck and rail transportation costs, and could impact grain transportation. GTRContactUs@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck*	Rail ²	Barge	Ocean	
				Gulf	Pacific
02/17/10	185	122	169	273	248
02/10/10	186	126	199	282	262

¹Indicator: 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)

²The 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

*Note: Truck data updated for the previous week.

Table 2

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

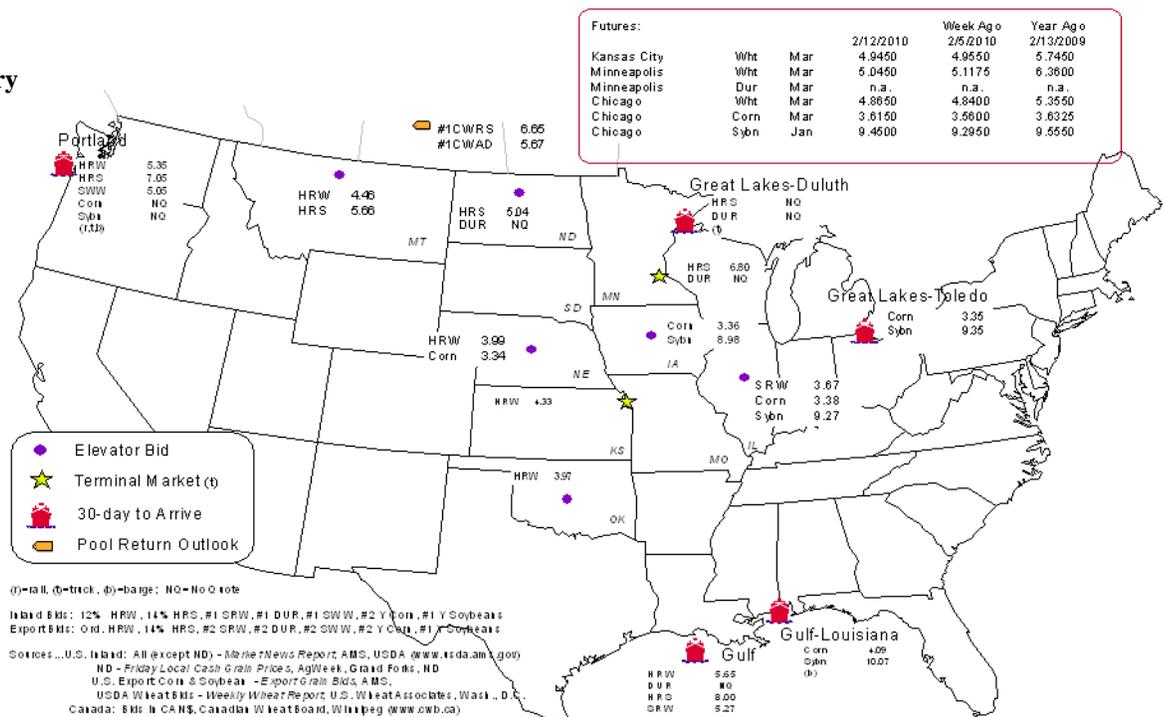
Commodity	Origin--Destination	2/12/2010	2/5/2010
Corn	IL--Gulf	-0.71	-0.78
Corn	NE--Gulf	-0.75	-0.82
Soybean	IA--Gulf	-1.09	-1.01
HRW	KS--Gulf	-1.32	-1.14
HRS	ND--Portland	-2.01	-1.96

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 mar-

Figure 1
Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
2/10/2010 ^p	783	2,144	947	3,481	1,062	8,417
2/03/2010 ^r	589	2,122	676	2,627	1,246	7,260
2010 YTD	3,426	9,728	4,113	19,264	7,277	43,808
2009 YTD	5,964	6,042	4,767	19,825	3,811	40,409
2010 YTD as % of 2009 YTD	57	161	86	97	191	108
Last 4 weeks as % of 2009 ²	62	157	88	91	169	104
Last 4 weeks as % of 4-year avg. ²	40	94	100	76	156	81
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.

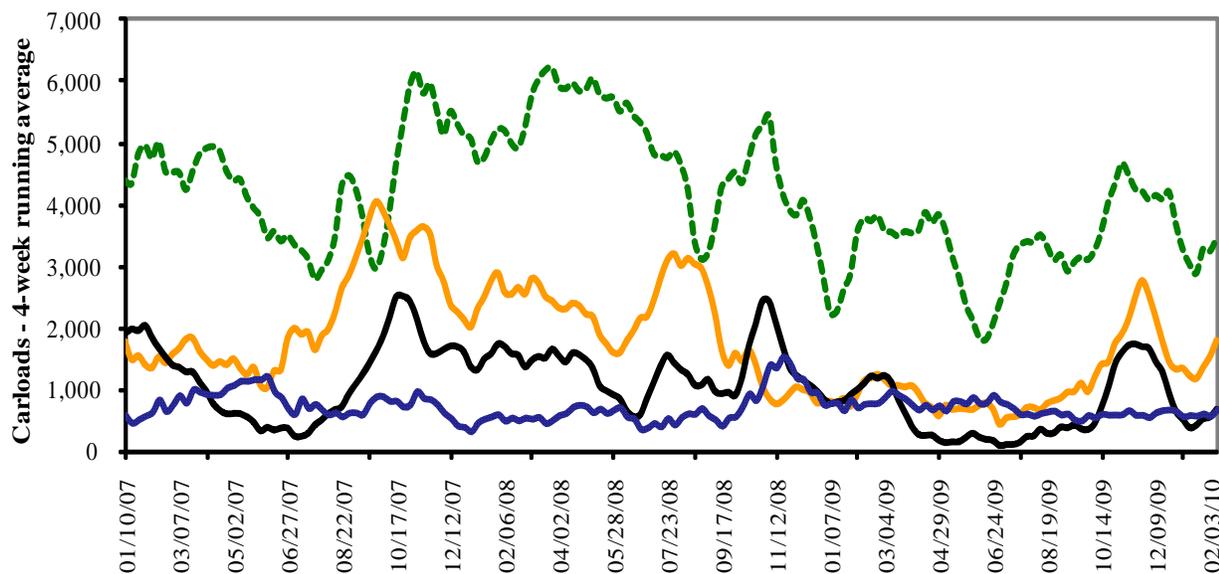
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

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



- - - Pacific Northwest: 4 Wks. ending 2/10-- down 9% from same period last year, down 23% from 4-year average
— Texas Gulf: 4 wks. ending 2/10-- up 57% from same period last year, down 6% from 4-year average
— Miss. River: 4 wks. ending 2/10 -- down 38% from same period last year, down 60% from 4-year average
— Cross-border Mexico: 4 wks. ending 2/10 -- down 12% from same period last year, unchanged from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

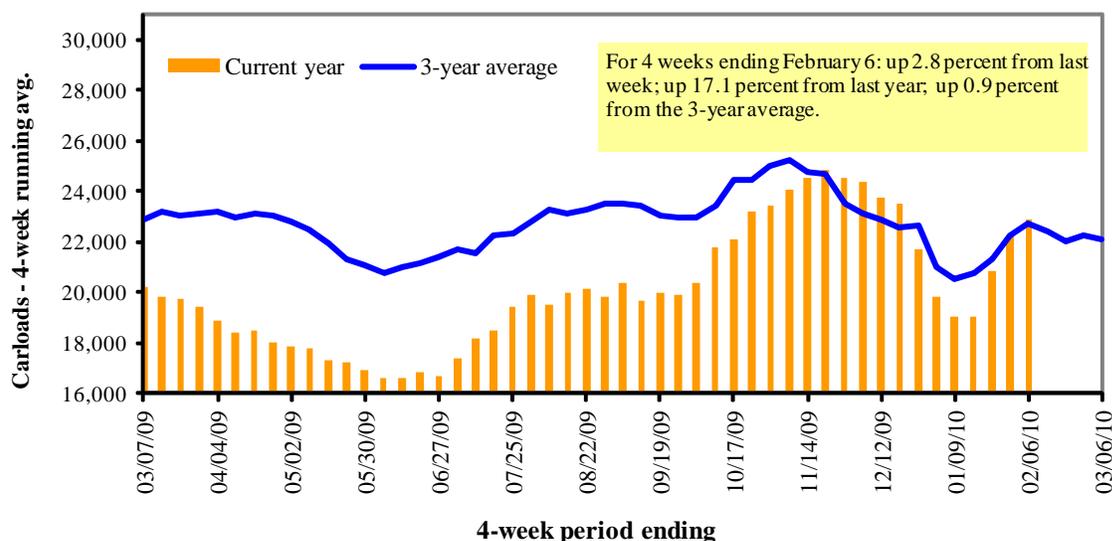
Table 4

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
02/06/10	2,201	3,004	9,880	861	6,027	21,973	4,587	4,638
This week last year	2,620	2,859	10,971	746	5,410	22,606	5,253	2,996
2010 YTD	12,268	14,915	52,617	3,878	27,380	111,058	21,057	25,477
2009 YTD	12,236	12,834	45,097	3,842	24,740	98,749	20,468	24,839
2010 YTD as % of 2009 YTD	100	116	117	101	111	112	103	103
Last 4 weeks as % of 2009 ¹	101	121	120	113	118	117	101	96
Last 4 weeks as % of 3-yr avg. ¹	82	101	103	124	104	101	93	105
Total 2009	105,278	142,254	483,618	36,912	268,811	1,036,873	200,871	278,997

¹As 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 Offerings¹ (\$/car)²

Week ending	Delivery period							
	Feb-10	Feb-09	Mar-10	Mar-09	Apr-10	Apr-09	May-10	May-09
BNSF ³								
COT grain units	no offer	0	15	0	no bids	no bids	no bids	no bids
COT grain single-car ⁵	no offer	0	0 . . 101	0	no bids	0	4 . . 15	0
UP ⁴								
GCAS/Region 1	no offer	no bids	1	no bids	no bids	no bids	no offer	no offer
GCAS/Region 2	no offer	no bids	1	no bids	no bids	no bids	no offer	no offer

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.

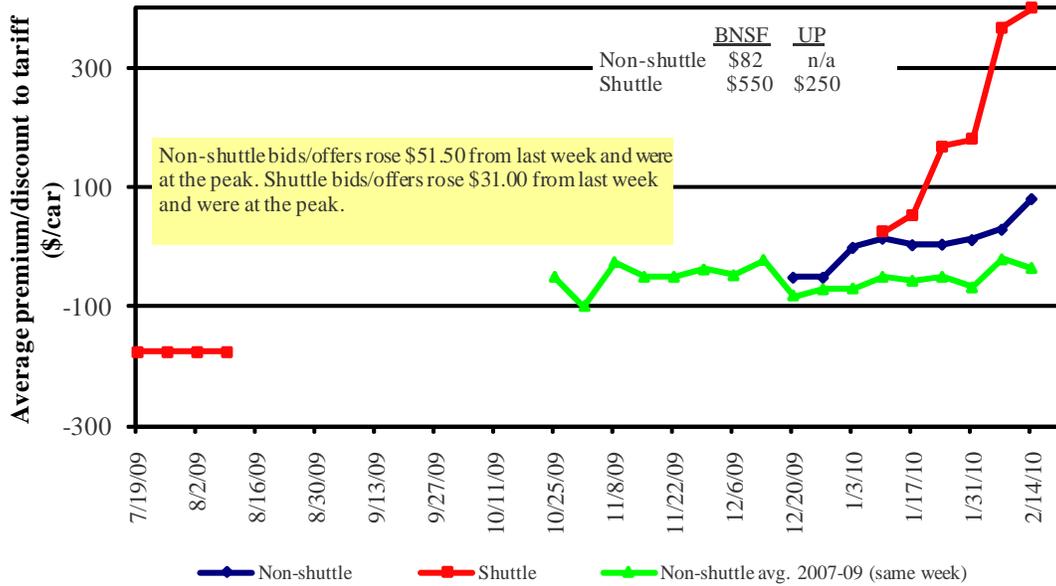
⁵Range is shown because average is not available. Not available = n/a.

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 February 2010, Secondary Market

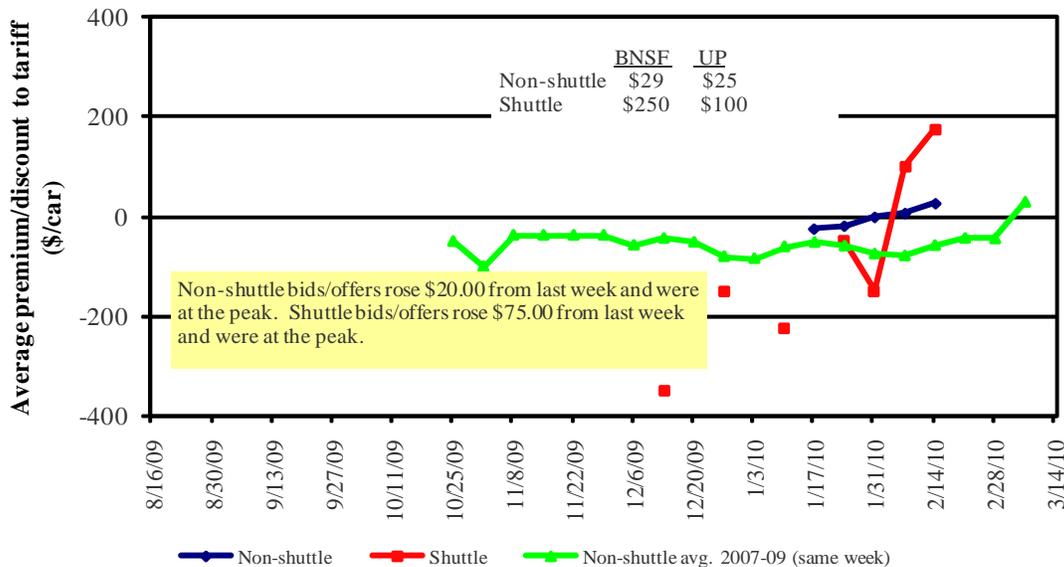


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

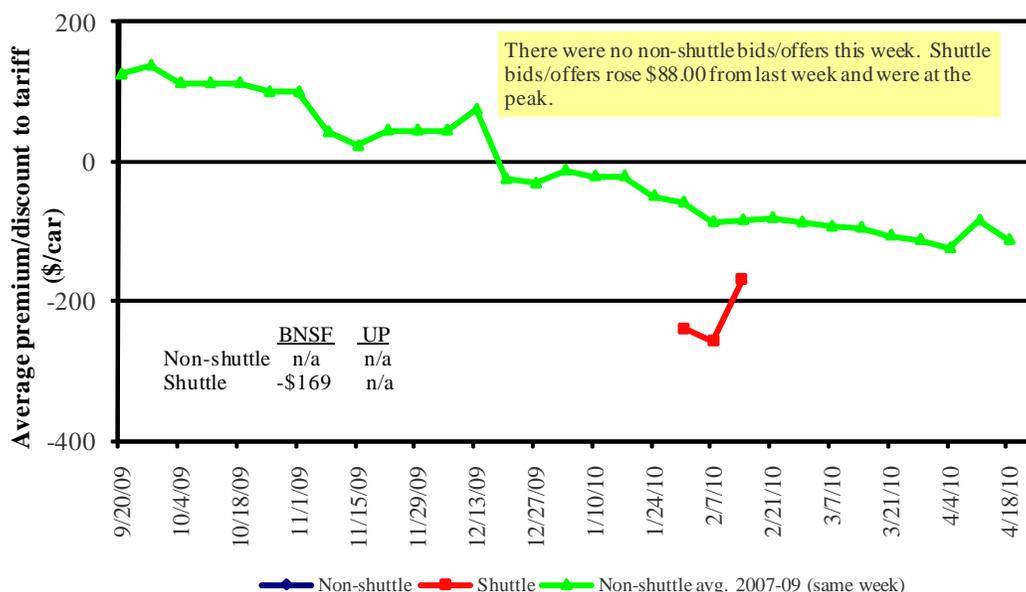


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in April 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					
	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10
Non-shuttle						
BNSF-GF	82	29	n/a	n/a	n/a	n/a
Change from last week	38	21	n/a	n/a	n/a	n/a
Change from same week 2008	107	37	n/a	n/a	n/a	n/a
UP-Pool	n/a	25	n/a	n/a	n/a	n/a
Change from last week	n/a	19	n/a	n/a	n/a	n/a
Change from same week 2008	n/a	58	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	550	250	-169	n/a	-167	n/a
Change from last week	125	150	88	n/a	-9	n/a
Change from same week 2008	588	375	n/a	n/a	n/a	n/a
UP-Pool	250	100	n/a	n/a	-175	n/a
Change from last week	-63	n/a	n/a	n/a	-25	n/a
Change from same week 2008	335	225	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 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:			Tariff	Fuel	Tariff plus surcharge per:		Percent
2/1/2010	Origin region	Destination region	rate/car	surcharge per car	metric ton	bushel ²	change Y/Y ³
Unit train¹							
Wheat	Chicago, IL	Albany, NY	\$2,622	\$112	\$30.13	\$0.82	8
	Kansas City, MO	Galveston, TX	\$2,753	\$107	\$31.53	\$0.86	11
	South Central, KS	Galveston, TX	\$3,655	\$267	\$43.23	\$1.18	9
	Minneapolis, MN	Houston, TX	\$3,799	\$540	\$47.83	\$1.30	9
	St. Louis, MO	Houston, TX	\$3,565	\$104	\$40.44	\$1.10	9
	South Central, ND	Houston, TX	\$5,328	\$601	\$65.35	\$1.78	3
	Minneapolis, MN	Portland, OR	\$4,200	\$657	\$53.53	\$1.46	9
	South Central, ND	Portland, OR	\$4,200	\$539	\$52.24	\$1.42	9
	Northwest, KS	Portland, OR	\$5,100	\$718	\$64.13	\$1.75	8
	Chicago, IL	Richmond, VA	\$2,834	\$166	\$33.07	\$0.90	13
Corn	Chicago, IL	Baton Rouge, LA	\$2,925	\$131	\$33.69	\$0.86	-4
	Council Bluffs, IA	Baton Rouge, LA	\$3,020	\$140	\$34.84	\$0.89	-4
	Kansas City, MO	Dalhart, TX	\$3,284	\$195	\$38.34	\$0.97	1
	Minneapolis, MN	Portland, OR	\$3,609	\$657	\$47.02	\$1.19	8
	Evansville, IN	Raleigh, NC	\$3,204	\$163	\$37.11	\$0.94	8
	Columbus, OH	Raleigh, NC	\$3,093	\$142	\$35.66	\$0.91	8
	Council Bluffs, IA	Stockton, CA	\$4,900	\$709	\$61.83	\$1.57	-6
Soybeans	Chicago, IL	Baton Rouge, LA	\$3,178	\$131	\$36.48	\$0.99	2
	Council Bluffs, IA	Baton Rouge, LA	\$3,192	\$140	\$36.73	\$1.00	2
	Minneapolis, MN	Portland, OR	\$4,110	\$657	\$52.54	\$1.43	-2
	Evansville, IN	Raleigh, NC	\$3,204	\$163	\$37.11	\$1.01	8
	Chicago, IL	Raleigh, NC	\$3,804	\$202	\$44.16	\$1.20	7
Shuttle Train							
Wheat	St. Louis, MO	Houston, TX	\$2,867	\$104	\$32.75	\$0.89	10
	Minneapolis, MN	Portland, OR	\$3,700	\$657	\$48.02	\$1.31	7
Corn	Fremont, NE	Houston, TX	\$2,520	\$397	\$32.15	\$0.82	3
	Minneapolis, MN	Portland, OR	\$3,528	\$657	\$46.13	\$1.17	8
Soybeans	Council Bluffs, IA	Houston, TX	\$2,787	\$385	\$34.96	\$0.95	3
	Minneapolis, MN	Portland, OR	\$3,774	\$657	\$48.84	\$1.33	10

¹A 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.

²Approximate load per car = 100 short tons (90.72 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

Table 8

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

Effective date: 2/1/2010

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
					metric ton	bushel ²	
Wheat	MT	Chihuahua, CI	\$6,291	\$611	\$70.52	\$1.92	8
	OK	Cautitlan, EM	\$5,726	\$461	\$63.21	\$1.72	9
	KS	Guadalajara, JA	\$6,196	\$471	\$68.11	\$1.85	8
	TX	Salinas Victoria, NL	\$3,154	\$149	\$33.75	\$0.92	7
Corn	IA	Guadalajara, JA	\$6,670	\$547	\$73.74	\$2.00	6
	SD	Penjamo, GJ	\$6,440	\$800	\$73.97	\$2.01	4
	NE	Queretaro, QA	\$6,130	\$442	\$67.15	\$1.83	2
	SD	Salinas Victoria, NL	\$4,570	\$608	\$52.90	\$1.44	-1
	MO	Tlalnepantla, EM	\$5,318	\$430	\$58.73	\$1.60	2
	SD	Torreon, CU	\$5,330	\$670	\$61.30	\$1.67	3
Soybeans	MO	Bojay (Tula), HG	\$5,994	\$470	\$66.04	\$1.80	5
	NE	Guadalajara, JA	\$6,475	\$538	\$71.66	\$1.95	6
	IA	Penjamo (Celaya), GJ	\$6,590	\$795	\$75.45	\$2.05	11
	KS	Torreon, CU	\$5,180	\$353	\$56.54	\$1.54	5
Sorghum	OK	Cautitlan, EM	\$4,370	\$607	\$50.85	\$1.38	4
	TX	Guadalajara, JA	\$5,350	\$520	\$59.98	\$1.63	13
	NE	Penjamo, GJ	\$6,395	\$492	\$70.37	\$1.91	5
	KS	Queretaro, QA	\$5,398	\$341	\$58.64	\$1.59	1
	NE	Salinas Victoria, NL	\$4,282	\$358	\$47.41	\$1.29	0
	NE	Torreon, CU	\$5,240	\$405	\$57.67	\$1.57	4

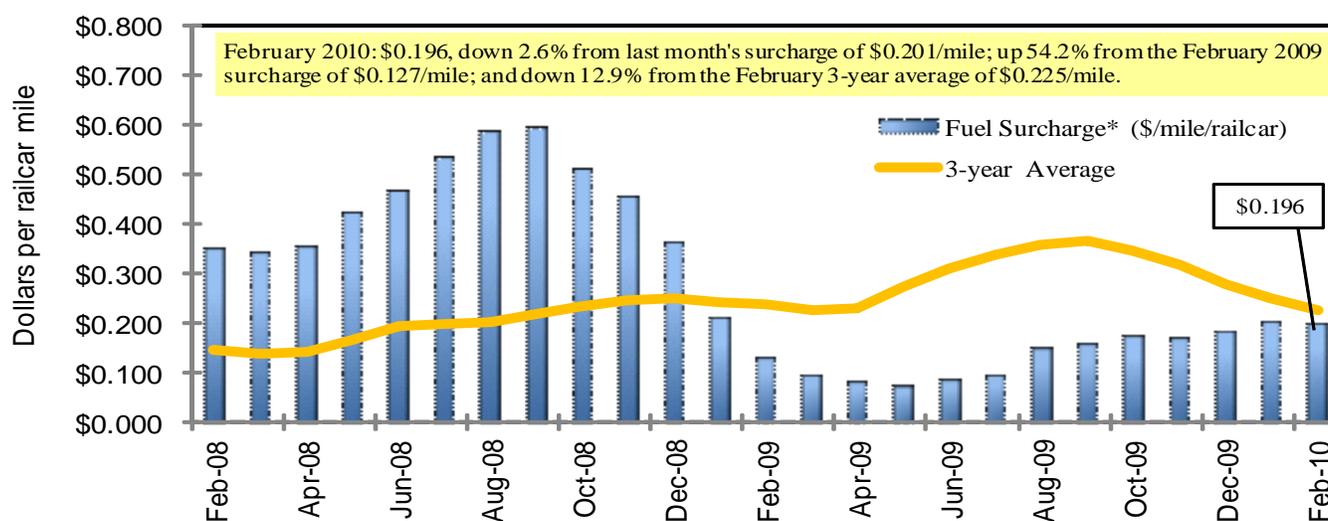
¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

²Approximate load per car = 97.87 metric tons: Corn & Sorghum 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.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.

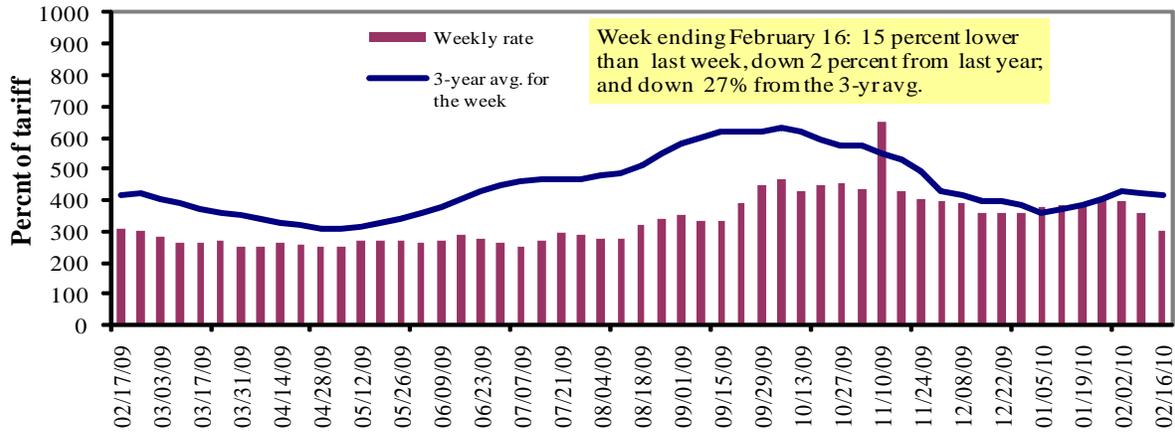
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	2/16/2010	-	-	305	215	267	267	198
	2/9/2010	-	-	358	258	302	302	237
\$/ton	2/16/2010	-	-	14.15	8.58	12.52	10.79	6.22
	2/9/2010	-	-	16.61	10.29	14.16	12.20	7.44
Current week % change from the same week:								
	Last year	-	-	-2	-5	17	17	-1
	3-year avg. ²	-	-	-27	-32	-16	-17	-27
Rate¹	March	-	-	308	230	268	268	207
	May	343	318	305	240	273	273	210

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-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).

Figure 9
Benchmark tariff rates

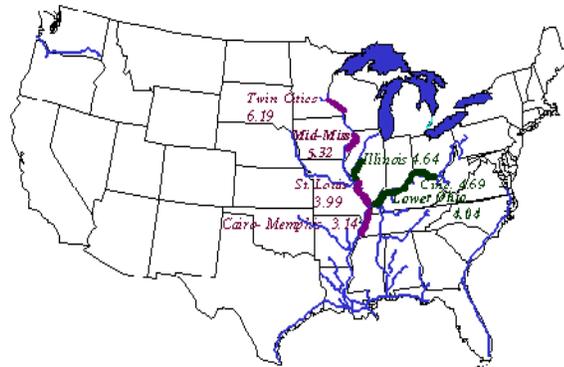
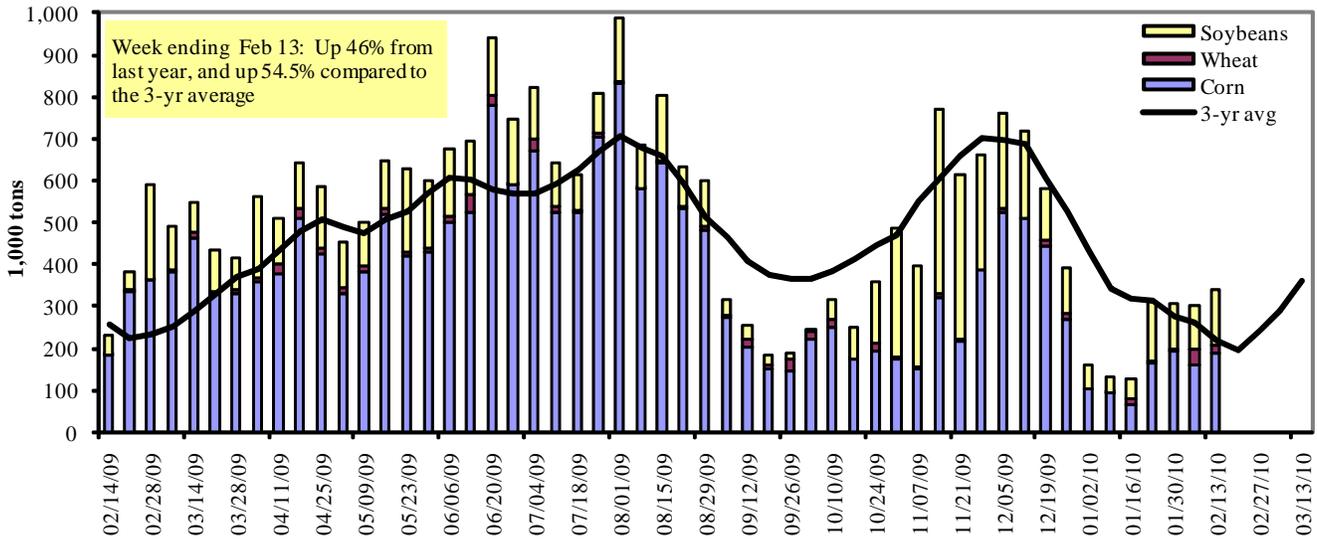


Figure 10

Barge Movements on the Mississippi River¹ (Locks 27 - Granite City, IL)



¹ The 3-year average is a 4-week moving average.

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 2/13/2010	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)	190	16	87	0	293
Granite City, IL (L27)	191	16	134	0	340
Illinois River (L8)	156	16	60	0	232
Ohio River (L52)	172	3	103	0	278
Arkansas River (L1)	0	4	46	7	57
Weekly total - 2010	364	23	283	7	676
Weekly total - 2009	333	14	158	6	511
2010 YTD ¹	1,753	171	1,728	71	3,724
2009 YTD	1,894	61	1,283	22	3,260
2010 as % of 2009 YTD	93	282	135	317	114
Last 4 weeks as % of 2009 ²	124	265	162	336	144
Total 2009	23,424	1,501	10,465	430	35,819

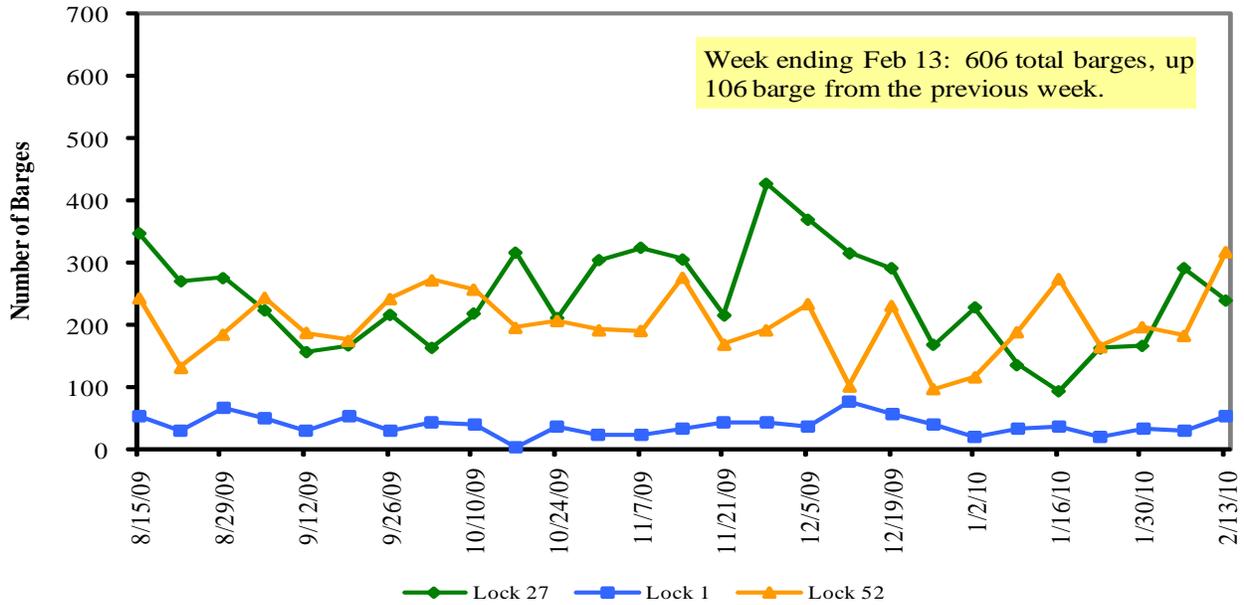
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

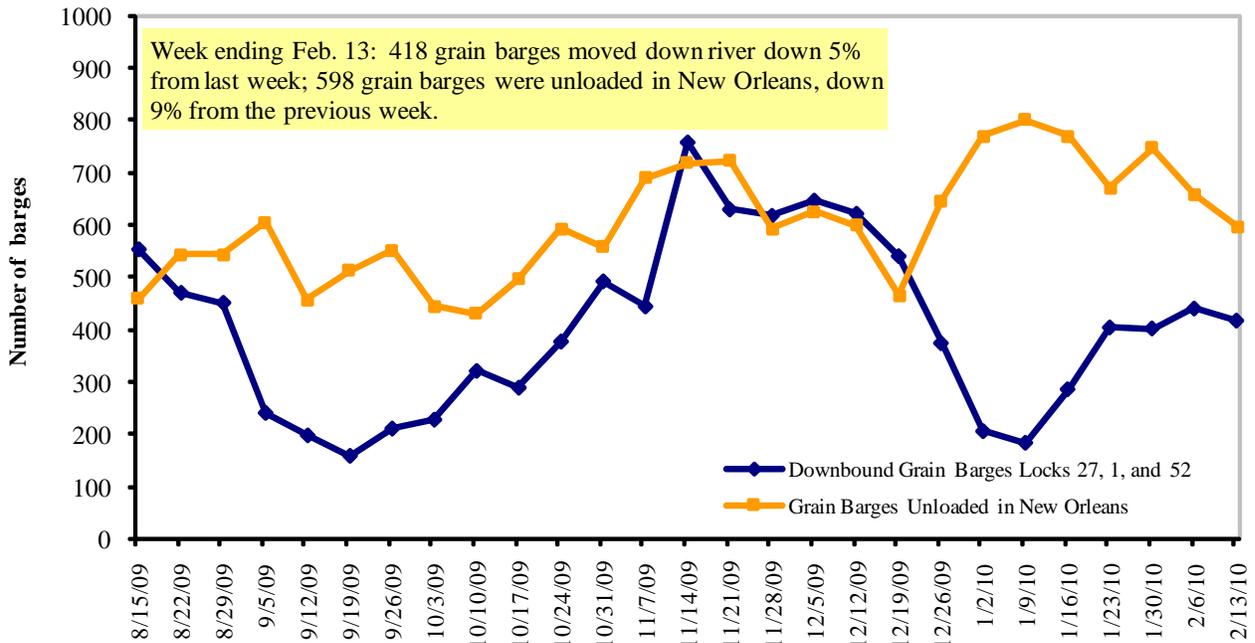
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webrpts/default.asp)

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 Prices¹, Week Ending 2/15/2010 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.809	-0.010	0.559
	New England	2.991	-0.023	0.432
	Central Atlantic	2.905	-0.015	0.485
	Lower Atlantic	2.751	-0.006	0.603
II	Midwest ²	2.705	-0.019	0.568
III	Gulf Coast ³	2.718	-0.011	0.585
IV	Rocky Mountain	2.777	-0.005	0.594
V	West Coast	2.846	-0.014	0.562
	California	2.902	0.000	0.640
Total	U.S.	2.756	-0.013	0.570

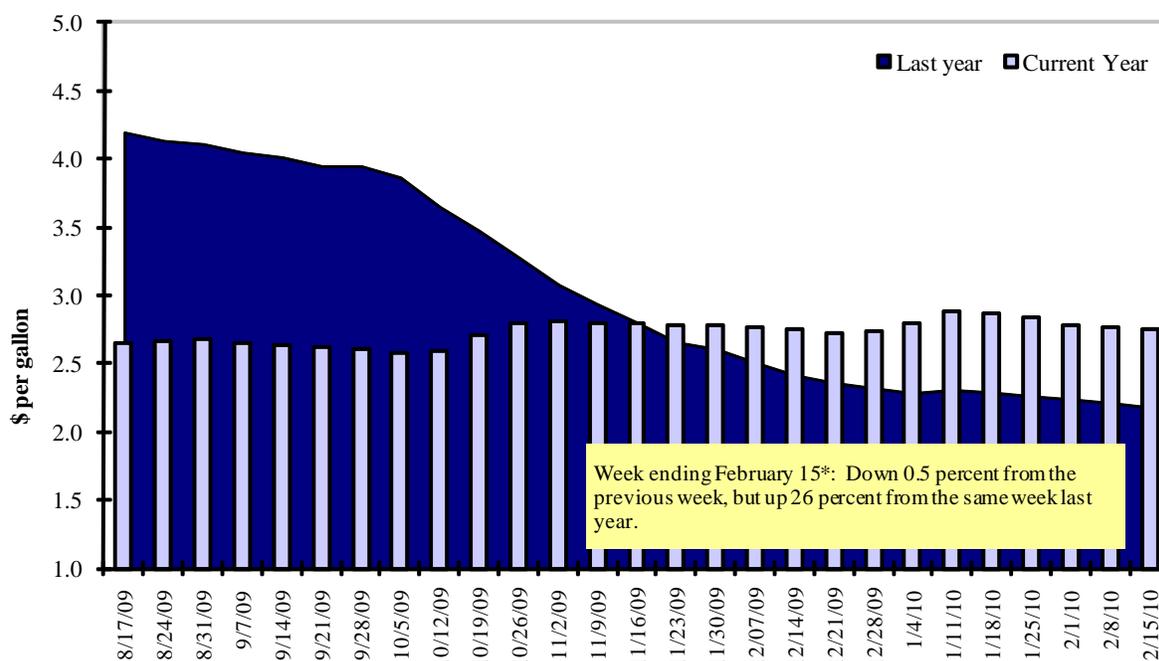
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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

*Note: Two weeks of data updated this week (2/8 and 2/15).

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									
2/4/2010	1,653	506	1,061	952	210	4,382	11,914	8,531	24,827
This week year ago	1,191	748	792	679	53	3,462	9,473	6,035	18,970
Cumulative exports-marketing year²									
2009/10 YTD	5,385	2,040	3,366	2,801	713	14,305	17,971	26,728	59,004
2008/09 YTD	9,199	3,979	3,930	2,165	358	19,632	16,946	19,465	56,043
YTD 2009/10 as % of 2008/09	59	51	86	129	199	73	106	137	105
Last 4 wks as % of same period 2008/09	137	57	58	84	245	59	60	135	76
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 Importers¹ of U.S. Corn

Week ending 02/04/10	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2009/10 Current MY	2008/09 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	7,652	8,915	(14)	15,910
Mexico	5,925	5,142	15	7,454
Korea	4,050	2,534	60	5,129
Taiwan	1,878	1,415	33	3,198
Egypt	1,122	1,117	0	2,233
Top 5 importers	20,627	19,123	8	33,924
Total US corn export sales⁴	29,884	26,419	13	45,214
% of Projected	59%	56%		
Change from Last Week	743	2,708		
Top 5 importers' share of U.S. corn export sales	69%	72%		
USDA forecast, February 2010	50,800	47,180	8	
Corn Use for Ethanol USDA forecast, February 2010	109,220	93,396	17	

(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.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week ending 02/04/10	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2009/10	2008/09		
	Current MY	Last MY		
	- 1,000 mt -			- 1,000 mt -
China	21,720	14,641	48	18,681
Mexico	1,893	1,632	16	3,098
Japan	1,632	1,987	(18)	2,410
EU-25	2,189	1,874	17	2,180
Taiwan	1,206	1,012	19	1,592
Top 5 importers	28,641	21,146	35	27,961
Total US soybean export sales	35,259	25,500	38	
% of Projected	94%	73%		
Change from last week	313	1,069		
Top 5 importers' share of U.S. soybean export sales	81%	83%		
USDA forecast, February 2010	37,420	34,930	7	
Soybean Use for Biodiesel USDA forecast, February 2010	5,275	4,566	16	

(n) indicates negative number.

¹Based on FAS 2006/07 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.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 02/04/2010	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2009/10	2008/09		
	Current MY	Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,493	2,507	(1)	3,103
Nigeria	2,632	2,217	19	2,661
Mexico	1,687	2,288	(26)	2,423
Egypt	456	1,849	(75)	1,928
Philippines	1,502	1,390	8	1,480
Iraq	304	1,205	(75)	1,205
Korea, South	1,010	948	7	1,127
Brazil	214	777	(72)	789
Colombia	468	698	(33)	749
Taiwan	667	521	28	714
Top 10 importers	11,433	14,399	(21)	16,179
Total US wheat export sales	18,687	23,094	(19)	27,640
% of Projected	83%	84%		
Change from last week	548	412		
Top 10 importers' share of U.S. wheat export sales	61%	62%		
USDA forecast, February 2010	22,450	27,640	(19)	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS 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 02/11/10	2010 YTD ¹	2009 YTD ¹	2010 YTD as % of 2009 YTD	Last 4-weeks as % of		Total ¹ 2009
					2009	3-yr. avg.	
Pacific Northwest							
Wheat	159	1,234	1,206	102	115	94	10,091
Corn	108	909	671	135	131	103	8,498
Soybeans	286	1,653	1,337	124	123	127	9,743
Total	553	3,796	3,214	118	122	108	28,332
Mississippi Gulf							
Wheat	107	437	448	98	136	100	4,019
Corn	324	2,654	3,020	88	84	65	28,843
Soybeans	555	4,254	4,184	102	86	106	21,831
Total	986	7,346	7,652	96	88	85	54,693
Texas Gulf							
Wheat	167	728	611	119	118	108	5,735
Corn	78	219	155	141	115	98	1,968
Soybeans	105	529	298	178	125	323	2,402
Total	350	1,476	1,064	139	120	136	10,105
Great Lakes							
Wheat	0	2	0	n/a	n/a	0	990
Corn	0	0	0	n/a	n/a	n/a	353
Soybeans	0	0	0	n/a	n/a	0	781
Total	0	2	0	n/a	n/a	0	2,124
Atlantic							
Wheat	0	22	23	96	96	69	552
Corn	0	28	21	139	156	20	472
Soybeans	35	224	199	113	115	152	1,268
Total	35	274	242	113	115	98	2,292
U.S. total from ports²							
Wheat	433	2,424	2,288	106	119	98	21,387
Corn	510	3,810	3,867	99	94	73	40,134
Soybeans	981	6,660	6,017	111	98	120	36,025
Total	1,923	12,894	12,171	106	101	97	97,546

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

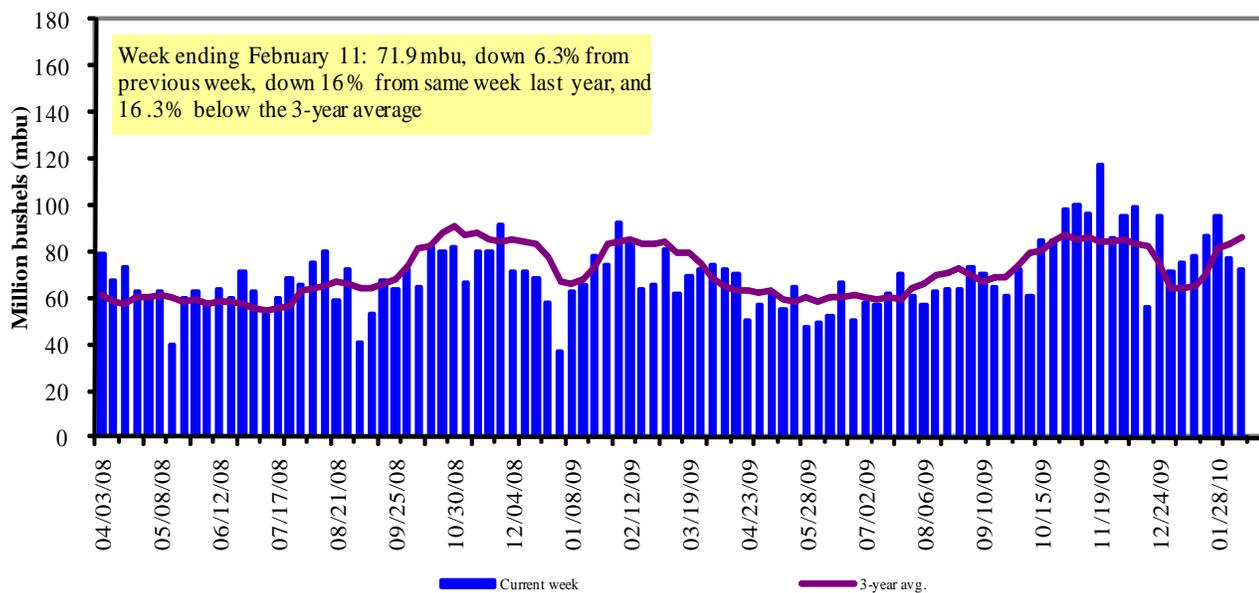
² Total includes only port regions shown above

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

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 62 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2009.

Figure 14

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

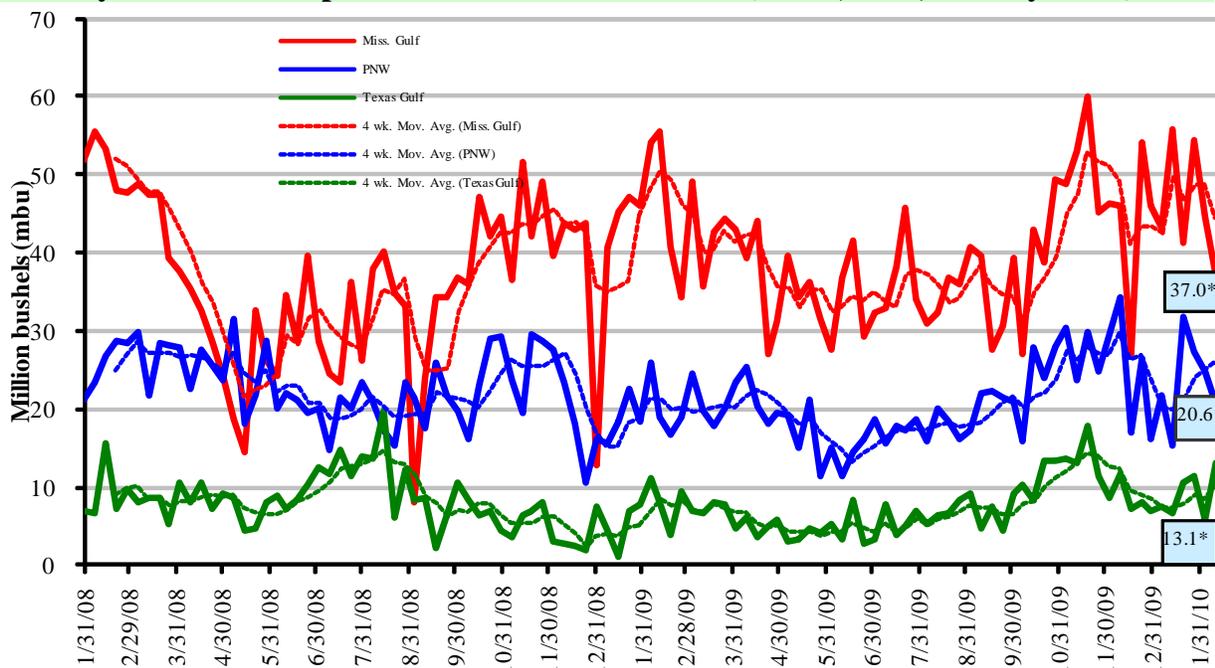


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

February 11, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 17	up 123	down 0.9	down 17
Last year (same week)	down 33	up 62	down 21	up 9.3
3-yr avg. (4-wk mov. avg.)	down 29	up 74	down 16	down 15

Ocean Transportation

Table 17

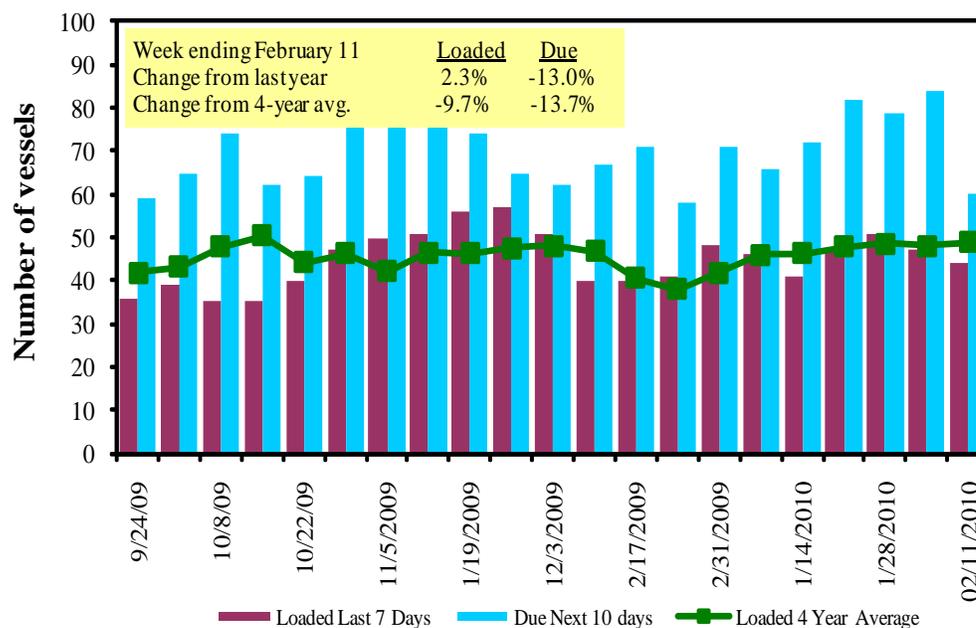
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
2/11/2010	69	44	60	18	n/a
2/4/2010	56	47	84	18	16
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. Gulf¹ Vessel Loading Activity

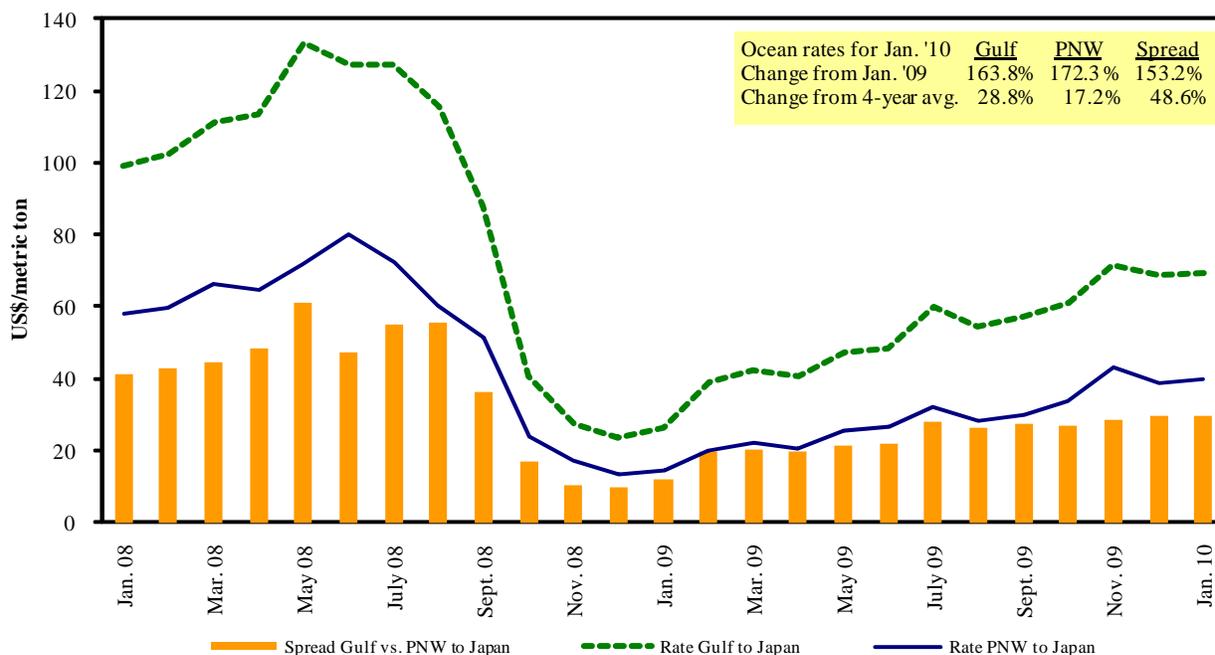


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: Drewry Shipping Consultants Ltd (www.drewry.co.uk)/O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 2/13/2010

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Morocco	Wheat	Feb 25/28	30,000	41.00
U.S. Gulf	Morocco	Wheat	Feb 8/10	25,000	46.00
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
Brazil	France	Grains	Sep 10/20	20,000	34.00
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	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

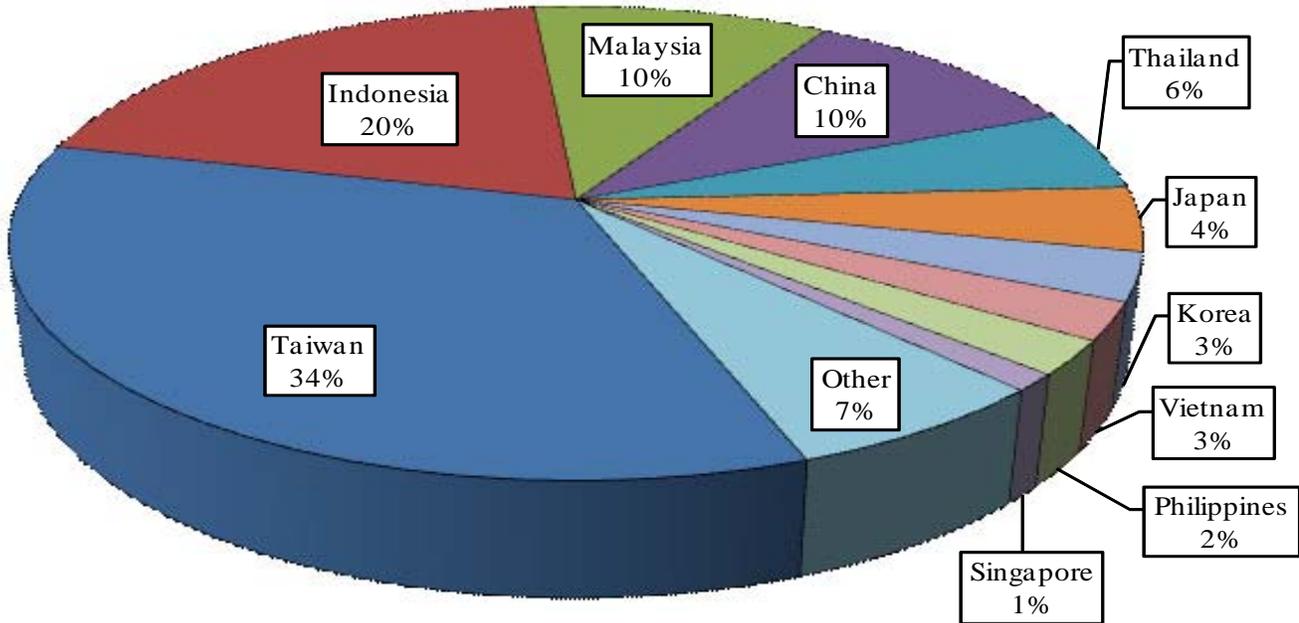
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

¹75 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

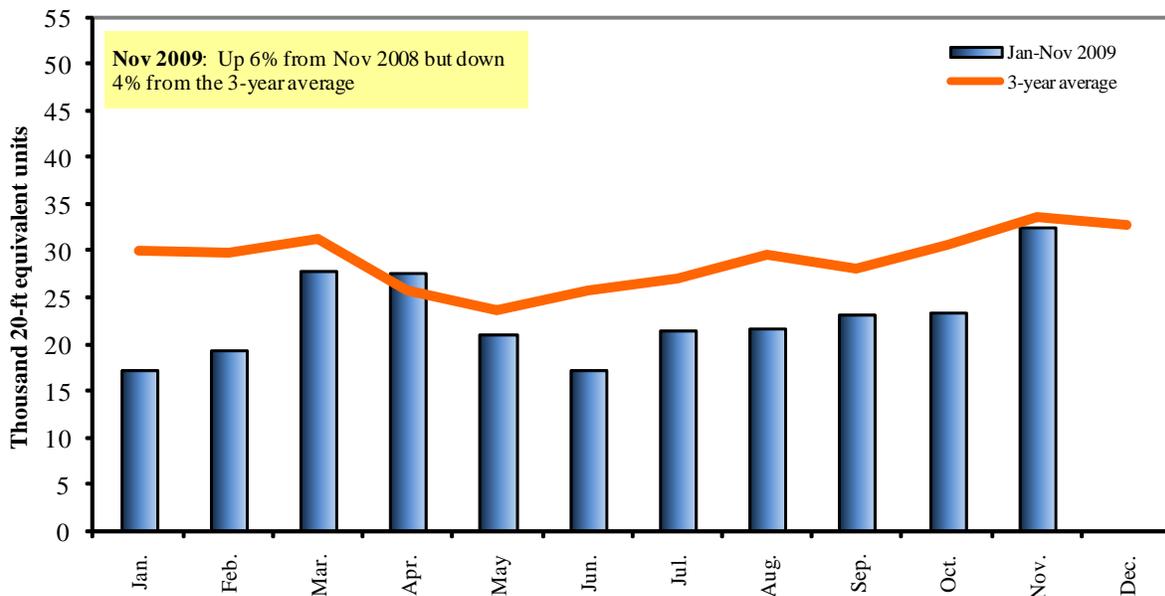
Top 10 Destination Markets for U.S. Containerized Grain Exports, November 2009



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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