



Aug. 26, 2010

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## WEEKLY HIGHLIGHTS

### Pre-Harvest Lock Repairs Not Likely to Impact River Traffic

The U.S. Army Corps of Engineers will close the main chamber at Mississippi River Locks 27 near St. Louis, MO, for maintenance from August 23 through September 1. The smaller auxiliary chamber is open to traffic, but shippers should expect delays as barges will take longer to transit the shorter lock. The impacts to grain barge transportation are expected to be minimal. Barge operators have reported reduced grain shipments lately as shippers wait for what are expected to be record corn and soybean harvests.

### Container Ship Charter Rates Rise as Cargo Volume Surges

Container ship charter rates continue to climb through the summer as unexpectedly strong cargo demand on the key routes from Asia to North America and Europe outpaces the supply of ships for hire. Charter rates for a vessel that can hold 3,500, 20-foot equivalent units (TEU), have more than tripled since the beginning of the year—\$17,500 per day in August compared with \$5,500 in January. Daily rates for 2,750 TEU ships have increased to \$13,250 from \$8,000 in May—a 90 percent increase. Spot freight rates from China to the U.S. West Coast have doubled to \$2,765 per 40-foot container from \$1,360 in December. Between May and July, cargo volume on the Far East-U.S. trade routes has grown 25.7 percent, and the weekly capacity deployed is already back to 2008 levels and 12 percent above 2009 levels. If the strong demand for consumer imports continues into the U.S. grain harvest season, this could provide an extra supply of containers for the U.S. export grain market.

### Corn Inspections Rebound; Export Sales Remain Strong

For the week ending August 19, total inspections of grain (corn, wheat, and soybeans) from all major U.S. export regions reached 1.75 million metric tons (mmt), up 3 percent from the past week and 5 percent above last year. Increases of 27 and 37 percent in the Mississippi Gulf and Pacific Northwest corn inspections resulted in the modest increase in total grain inspections; pushing the four week average 4 percent above last year. Total weekly corn inspections (.872 mmt) increased 22 percent as Mississippi Gulf shipments to Egypt and the Middle East rebounded. During the week ending August 12, export sales of all grain for the 2010/11 marketing year surged (5.75 mmt), and were destined primarily to Asia, Mexico, and Egypt.

## Snapshots by Sector

### Rail

U.S. railroads originated 18,959 **carloads of grain** during the week ending August 14, down 7 percent from last week, 9 percent from last year, and 16 percent from the 3-year average.

During the week ending August 21, average September non-shuttle **secondary railcar bids/offers** were \$709 above tariff, up \$128 from last week. Average shuttle rates were \$979 above tariff, up \$217 from last week.

### Ocean

During the week ending August 19, 41 **ocean-going grain vessels** were loaded in the Gulf, up 14 percent from last year. Sixty vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up 28 percent from last year.

During the week ending August 20, the cost of shipping grain from the Gulf to Japan averaged \$65 per mt, up 5 percent from the previous week. The rate from the Pacific Northwest to Japan was \$36 per mt, up 6 percent from the previous week.

### Barge

During the week ending Aug 21, **barge grain movements** totaled 410,351 tons, 40 percent lower than the previous week and 43 percent lower than the same period last year.

### Fuel

During the week ending Aug 23, U.S. average **diesel fuel prices** decreased 2 cents per gallon to \$2.96—0.7 percent lower than the previous week, but 11 percent higher than the same week last year.

# Feature Article/Calendar

## Corn and Soybean Transportation Costs Remain Higher Than Last Year

Transportation costs of shipping corn and soybeans to Japan through the U.S. Gulf and the Pacific Northwest (PNW) port regions during the second quarter of 2010 remained higher than the same period last year. Truck rates were significantly lower because of a decrease in diesel prices, and barge rates decreased slightly due to higher capacity as a result of fewer non-grain barge movements, but these cost decreases were not enough to offset a rise in ocean rates as Chinese demand for ocean vessels remained strong.

Table 1: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. Gulf

|                              | Corn          |           |                |            |            | Soybeans      |           |                |            |            |
|------------------------------|---------------|-----------|----------------|------------|------------|---------------|-----------|----------------|------------|------------|
|                              | \$/metric ton |           | Percent change |            |            | \$/metric ton |           | Percent Change |            |            |
|                              | 2ndQtr 09     | 1stQtr 10 | 2ndQtr 10      | Yr. to Yr. | Qtr to Qtr | 2ndQtr 09     | 1stQtr 10 | 2ndQtr 10      | Yr. to Yr. | Qtr to Qtr |
| Truck                        | 10.10         | n/a       | 8.66           | -14.26     | n/a        | 10.10         | n/a       | 8.66           | -14.26     | n/a        |
| Barge                        | 22.43         | n/a       | 22.02          | -1.83      | n/a        | 22.43         | n/a       | 22.02          | -1.83      | n/a        |
| Ocean                        | 48.63         | n/a       | 69.36          | 42.63      | n/a        | 48.63         | n/a       | 69.36          | 42.63      | n/a        |
| Total Transportation Cost    | 81.16         | n/a       | 100.04         | 23.26      | n/a        | 81.16         | n/a       | 100.04         | 23.26      | n/a        |
| Farm Value <sup>1</sup>      | 151.04        | n/a       | 129.26         | -14.42     | n/a        | 385.69        | n/a       | 336.69         | -12.70     | n/a        |
| Total Landed Cost            | 232.20        | n/a       | 229.30         | -1.25      | n/a        | 466.85        | n/a       | 436.73         | -6.45      | n/a        |
| Transportation % Landed Cost | 34.95         | n/a       | 43.63          |            |            | 17.38         | n/a       | 22.91          |            |            |

Table 2: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. PNW

|                              | Corn          |           |                |            |            | Soybeans      |           |                |            |            |
|------------------------------|---------------|-----------|----------------|------------|------------|---------------|-----------|----------------|------------|------------|
|                              | \$/metric ton |           | Percent change |            |            | \$/metric ton |           | Percent Change |            |            |
|                              | 2ndQtr 09     | 1stQtr 10 | 2ndQtr 10      | Yr. to Yr. | Qtr to Qtr | 2ndQtr 09     | 1stQtr 10 | 2ndQtr 10      | Yr. to Yr. | Qtr to Qtr |
| Truck                        | 10.10         | 10.46     | 8.66           | -14.26     | -17.21     | 10.10         | 10.46     | 8.66           | -14.26     | -17.21     |
| Rail <sup>1</sup>            | 44.07         | 47.21     | 47.84          | 8.55       | 1.33       | 49.26         | 52.73     | 53.37          | 8.34       | 1.21       |
| Ocean                        | 26.69         | 39.70     | 39.38          | 47.55      | -0.81      | 26.69         | 39.70     | 39.38          | 47.55      | -0.81      |
| Total Transportation Cost    | 80.86         | 97.37     | 95.88          | 18.58      | -1.53      | 86.05         | 102.89    | 101.41         | 17.85      | -1.44      |
| Farm Value <sup>2</sup>      | 151.04        | 138.18    | 129.26         | -14.42     | -6.46      | 385.69        | 340.98    | 336.69         | -12.70     | -1.26      |
| Total Landed Cost            | 231.90        | 235.55    | 225.14         | -2.92      | -4.42      | 471.74        | 443.87    | 438.1          | -7.13      | -1.30      |
| Transportation % Landed Cost | 34.87         | 41.34     | 42.59          |            |            | 18.24         | 23.18     | 23.15          |            |            |

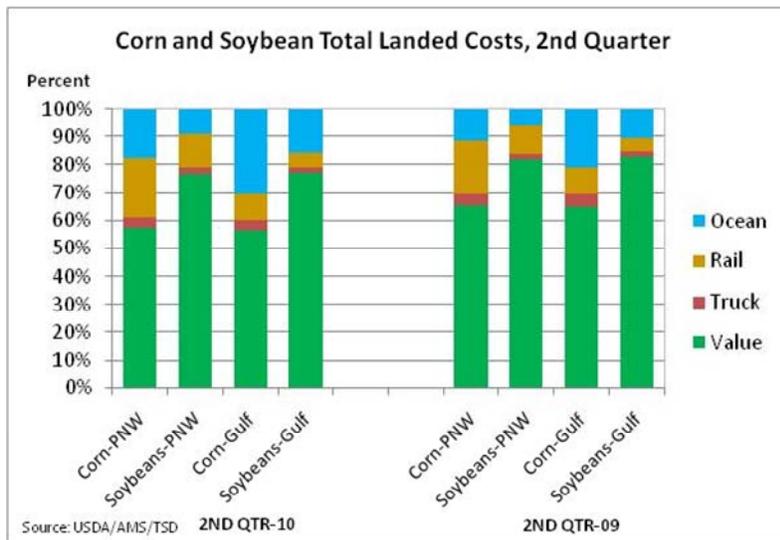
Source: USDA/AMSTMP

<sup>1</sup> Rail tariffs include fuel surcharges

<sup>2</sup> Source: USDA/NASS, Agricultural Prices

n/a= not available; Analysis for first quarter is incomplete due to river closure and no Twin Cities barge quotes during this period.

**U.S. Gulf Costs:** Total second quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, through the Gulf to Japan increased 23 percent year-to-year, pushed up by a 43 percent increase in ocean freight rates (see table 1), brought on by increased Chinese demand for iron imports and coal (see [GTR feature 07/22/10](#)). Truck rates decreased 14 percent year-to-year, pulled down by dropping diesel prices (tables 1, 2). Second quarter barge rates for shipping grain to the Gulf decreased about 2 percent from year-to-year due to more barge availability resulting from a reduction in non-grain barge movements (see [GTR feature 8/05/10](#)).



Compared with last year, the total landed cost for shipping from the U.S. Gulf to Japan dropped 1 percent for corn and over 6 percent for soybeans due to lower truck rates and farm values. Corn and soybean farm values were lower than last year, accounting for 56 to 77 percent of the landed cost for shipping from the Gulf (see figure). Transportation costs for shipping corn from the Gulf to Japan accounted for 44 percent of the total landed cost during the second quarter, compared to 35 percent last year. The 23 percent share of the

total landed costs for soybeans was also higher than last year (17 percent) (table 1).

**Pacific Northwest Costs:** Total transportation costs from Minneapolis, MN, to Japan via the PNW decreased about 2 percent for corn and over 1 percent for soybeans from quarter to quarter (see table 2). Lower truck rates pulled transport costs down from the previous quarter and from last year. From year to year, transportation costs for shipping corn and soybeans to the PNW increased 19 and 18 percent respectively, due to the 48 percent jump in ocean rates (table 2). Compared to the first quarter, PNW rail rates increased slightly for corn and soybeans. Year-to-year rail rates for shipping grain to the PNW increased 9 percent for corn and 8 percent for soybeans due to higher fuel surcharges (see GTR table 7).

The quarter-to-quarter decrease in ocean and truck rates, in addition to the decreased farm value, pushed PNW total landed costs down over 4 percent for corn and over 1 percent for soybeans (see table 2). Transportation costs for corn shipped through the PNW accounted for about 43 percent of the total landed costs during the second quarter, higher than the previous quarter and last year. Second quarter transportation costs for soybeans shipped through the PNW accounted for 23 percent of the total landed costs, slightly below the previous quarter but above last year. Although less than it was last year, soybean farm value continued to account for a major share of the total landed costs (see figure).

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# Grain Transportation Indicators

Table 1

## Grain Transport Cost Indicators<sup>1</sup>

| Week ending | Truck | Rail <sup>2</sup> | Barge | Ocean |         |
|-------------|-------|-------------------|-------|-------|---------|
|             |       |                   |       | Gulf  | Pacific |
| 08/25/10    | 198   | 804               | 253   | 291   | 255     |
| 08/18/10    | 200   | 676               | 243   | 277   | 241     |

<sup>1</sup>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)

<sup>2</sup>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)

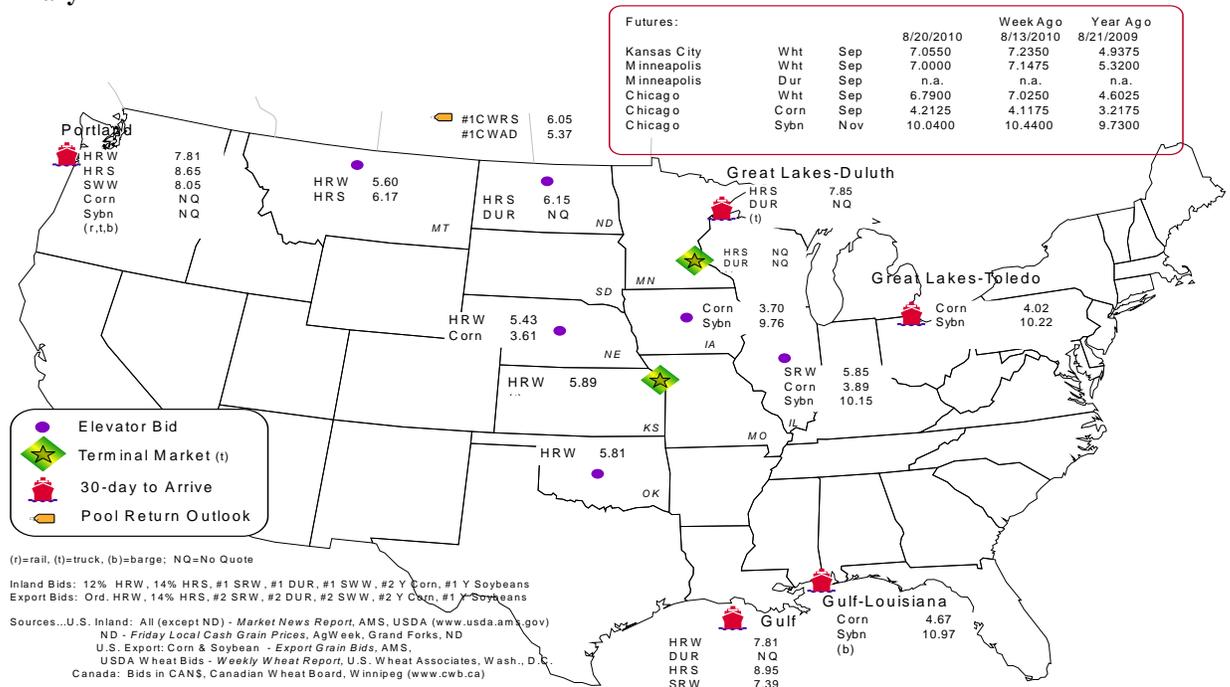
| Commodity | Origin--Destination | 8/20/2010 | 8/13/2010 |
|-----------|---------------------|-----------|-----------|
| Corn      | IL--Gulf            | -0.78     | -0.74     |
| Corn      | NE--Gulf            | -1.06     | -1.01     |
| Soybean   | IA--Gulf            | -1.21     | -1.12     |
| HRW       | KS--Gulf            | -1.92     | -1.80     |
| HRS       | ND--Portland        | -2.50     | -2.45     |

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)<sup>1</sup>

| Week ending                                   | Mississippi |            | Cross-Border | Pacific   | Atlantic & | Total   |
|---|-------------|------------|--------------|-----------|------------|---------|
|   | Gulf        | Texas Gulf | Mexico       | Northwest | East Gulf  |         |
| 8/18/2010 <sup>p</sup>                        | 393         | 1,610      | 574          | 3,216     | 177        | 5,970   |
| 8/11/2010 <sup>r</sup>                        | 262         | 1,428      | 1,006        | 3,587     | 65         | 6,348   |
| 2010 YTD                                      | 9,869       | 44,076     | 29,575       | 110,122   | 18,278     | 211,920 |
| 2009 YTD                                      | 14,874      | 26,830     | 25,415       | 104,414   | 15,108     | 186,641 |
| 2010 YTD as % of 2009 YTD                     | 66          | 164        | 116          | 105       | 121        | 114     |
| Last 4 weeks as % of 2009 <sup>2</sup>        | 110         | 195        | 135          | 106       | 58         | 121     |
| Last 4 weeks as % of 4-year avg. <sup>2</sup> | 31          | 77         | 147          | 93        | 36         | 83      |
| 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 |

<sup>1</sup> Data is incomplete as it is voluntarily provided

<sup>2</sup> Compared with same 4-weeks in 2009 and prior 4-year average.

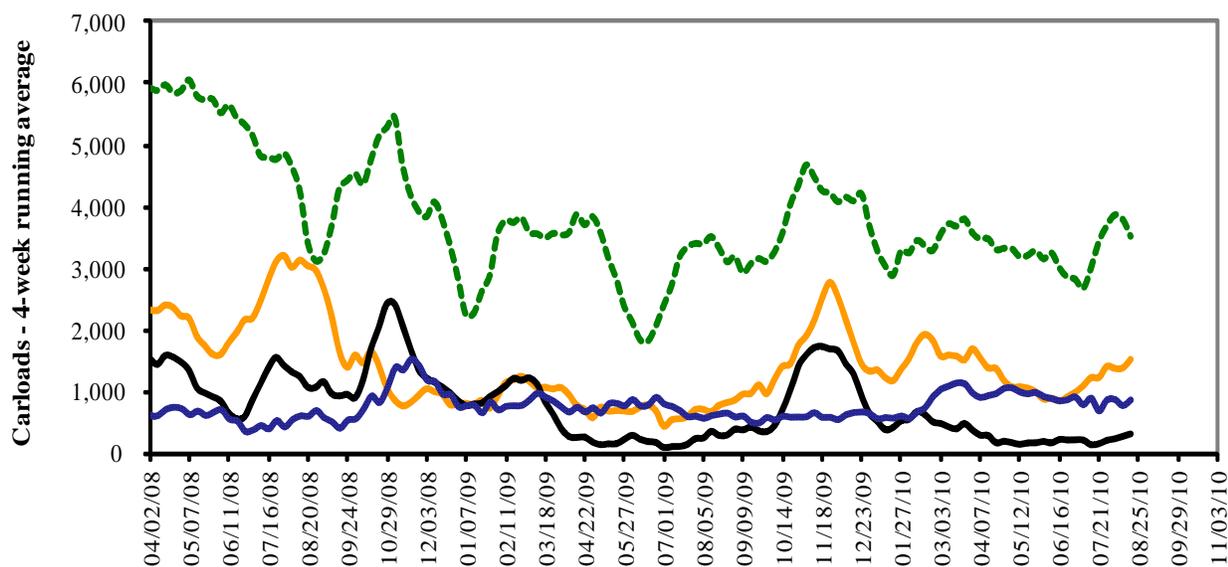
**YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available**

Source: Transportation & Marketing Programs/AMSUSDA

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 8/18-- up 6% from same period last year; down 7% from 4-year average  
— Texas Gulf: 4 wks. ending 8/18-- up 95% from same period last year; down 23% from 4-year average  
— Miss. River: 4 wks. ending 8/18 -- up 10% from same period last year; down 69% from 4-year average  
— Cross-border Mexico: 4 wks. ending 8/18 -- up 35% from same period last year; up 47% from 4-year average

Source: Transportation & Marketing Programs/AMSUSDA

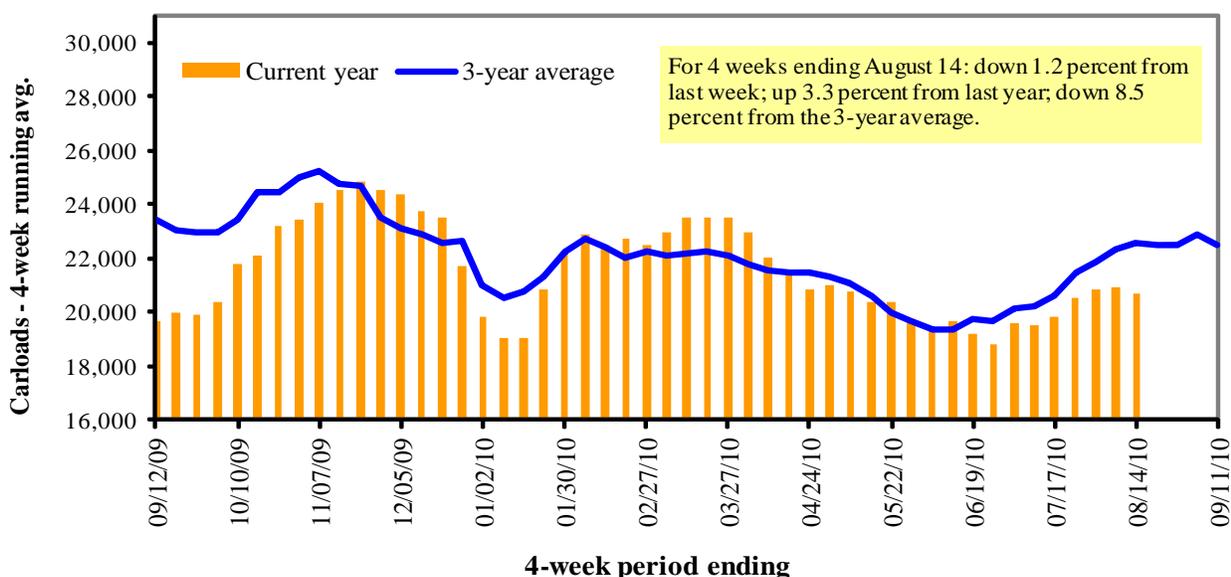
Table 4

**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      |
| 08/14/10                                    | 1,704   | 2,612   | 9,542   | 595    | 4,506   | 18,959     | 3,882   | 5,873   |
| This week last year                         | 1,445   | 2,962   | 10,214  | 675    | 5,495   | 20,791     | 3,816   | 5,246   |
| 2010 YTD                                    | 69,137  | 96,536  | 320,370 | 22,889 | 167,586 | 676,518    | 124,865 | 166,600 |
| 2009 YTD                                    | 66,166  | 83,648  | 274,664 | 21,287 | 152,792 | 598,557    | 126,120 | 173,292 |
| 2010 YTD as % of 2009 YTD                   | 104     | 115     | 117     | 108    | 110     | 113        | 99      | 96      |
| Last 4 weeks as % of 2009 <sup>1</sup>      | 110     | 101     | 106     | 94     | 99      | 103        | 104     | 96      |
| Last 4 weeks as % of 3-yr avg. <sup>1</sup> | 79      | 89      | 96      | 87     | 90      | 92         | 92      | 111     |
| Total 2009                                  | 105,278 | 142,254 | 483,618 | 36,912 | 268,811 | 1,036,873  | 200,871 | 278,997 |

<sup>1</sup>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<sup>1</sup> (\$/car)<sup>2</sup>**

| Week ending                       | Delivery period |         |          |          |          |         |          |          |
|-----------------------------------|-----------------|---------|----------|----------|----------|---------|----------|----------|
|                                   | Sep-10          | Sep-09  | Oct-10   | Oct-09   | Nov-10   | Nov-09  | Dec-10   | Dec-09   |
| <b>8/21/2010</b>                  |                 |         |          |          |          |         |          |          |
| BNSF <sup>3</sup>                 |                 |         |          |          |          |         |          |          |
| COT grain units                   | no offer        | no bids | no offer | no offer | no offer | 6       | 158      | 0        |
| COT grain single-car <sup>5</sup> | no offer        | 1 .. 4  | no offer | no offer | no offer | 5 .. 10 | 2 .. 209 | 0 .. 5   |
| UP <sup>4</sup>                   |                 |         |          |          |          |         |          |          |
| GCAS/Region 1                     | 194             | no bids | no offer | 1        | 338      | no bids | n/a      | no offer |
| GCAS/Region 2                     | 567             | 1       | no offer | 18       | 206      | no bids | n/a      | no offer |

<sup>1</sup>Auction offerings are for single-car and unit train shipments only.

<sup>2</sup>Average premium/discount to tariff, last auction

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

<sup>4</sup>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.

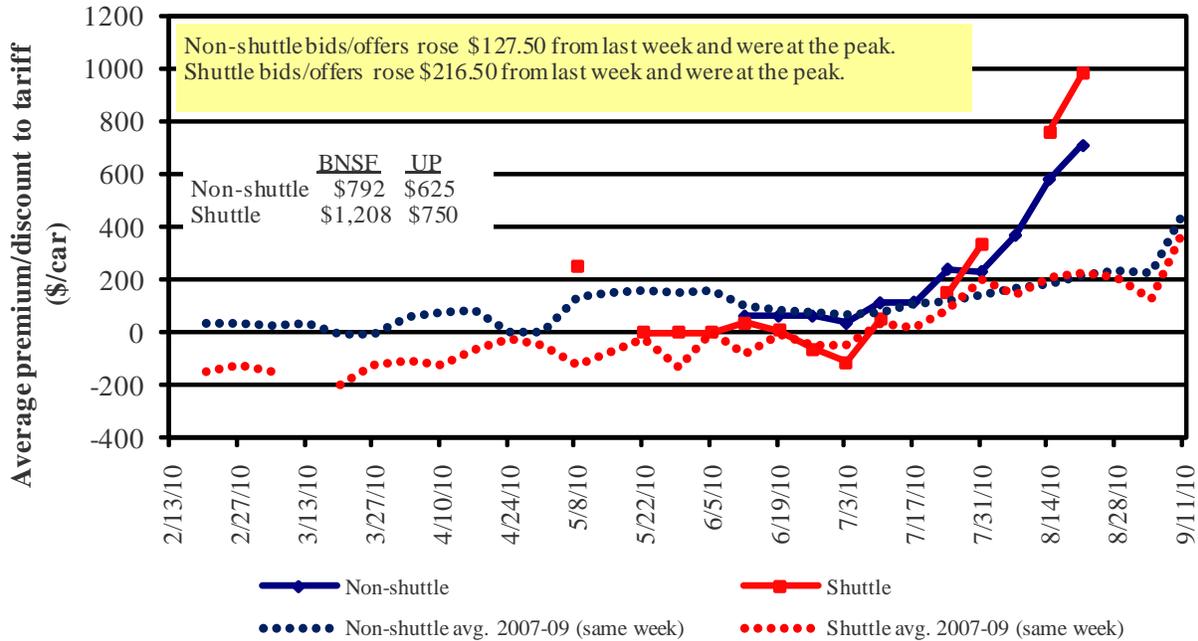
<sup>5</sup>Range is shown because average is not available. Not available = n/a.

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 September 2010, Secondary Market**

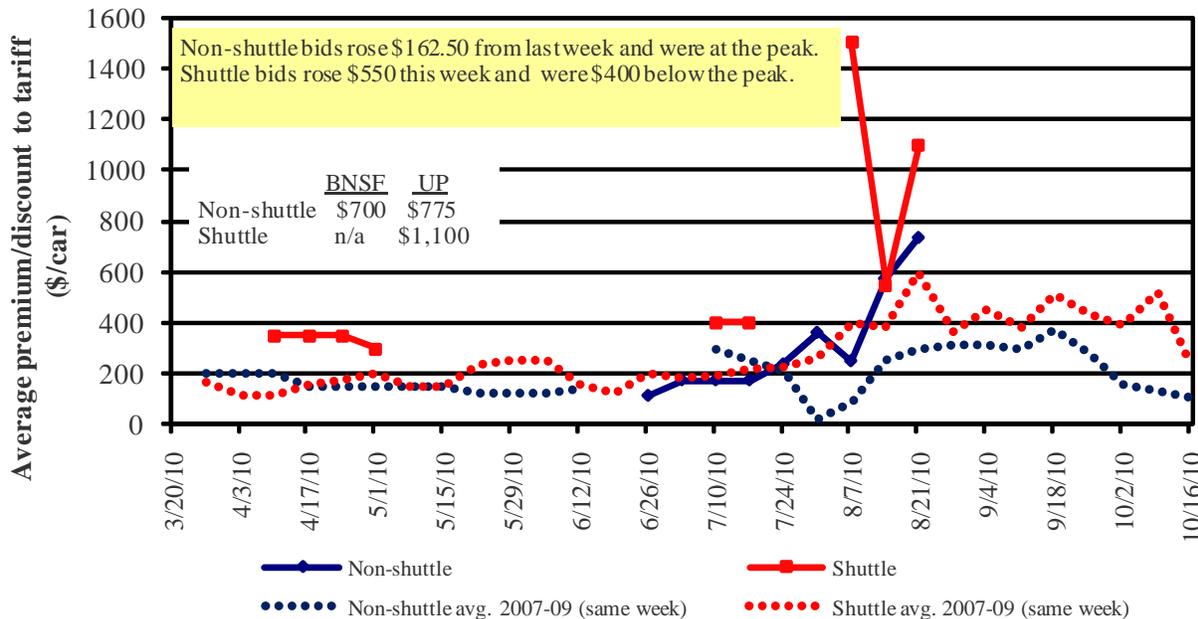


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

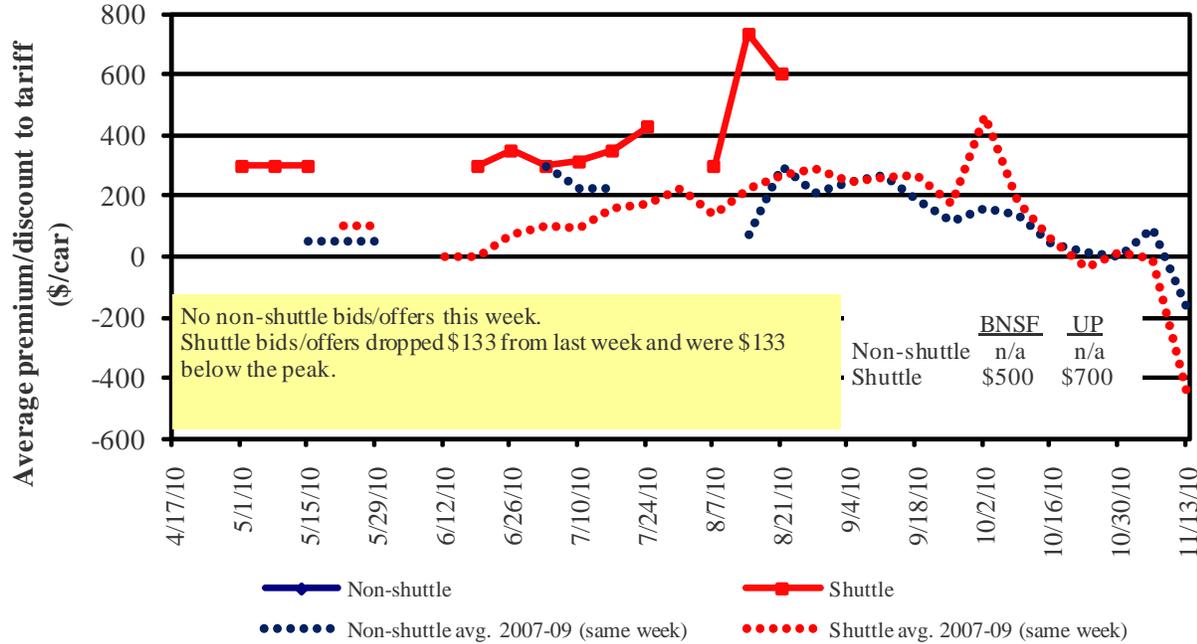


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

**Bids/Offers for Railcars to be Delivered in November 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)<sup>1</sup>**

| Week ending                | Delivery period |        |        |        |        |        |
|----------------------------|-----------------|--------|--------|--------|--------|--------|
|                            | Sep-10          | Oct-10 | Nov-10 | Dec-10 | Jan-10 | Feb-10 |
| <b>Non-shuttle</b>         |                 |        |        |        |        |        |
| BNSF-GF                    | 792             | 700    | n/a    | n/a    | n/a    | n/a    |
| Change from last week      | 138             | 0      | n/a    | n/a    | n/a    | n/a    |
| Change from same week 2009 | 734             | 677    | n/a    | n/a    | n/a    | n/a    |
| UP-Pool                    | 625             | 775    | n/a    | n/a    | n/a    | n/a    |
| Change from last week      | 117             | 325    | n/a    | n/a    | n/a    | n/a    |
| Change from same week 2009 | 585             | 760    | n/a    | n/a    | n/a    | n/a    |
| <b>Shuttle<sup>2</sup></b> |                 |        |        |        |        |        |
| BNSF-GF                    | 1208            | n/a    | 500    | 450    | n/a    | n/a    |
| Change from last week      | 233             | n/a    | -233   | 0      | n/a    | n/a    |
| Change from same week 2009 | 1433            | n/a    | 275    | 575    | n/a    | n/a    |
| UP-Pool                    | 750             | 1100   | 700    | 400    | n/a    | n/a    |
| Change from last week      | 200             | 550    | n/a    | 0      | n/a    | n/a    |
| Change from same week 2009 | 850             | 669    | n/a    | n/a    | n/a    | n/a    |

<sup>1</sup>Average premium/discount to tariff, \$/car-last week

<sup>2</sup>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<sup>1</sup>**

| Effective date:                      |                    | Origin region   | Destination region | Tariff<br>rate/car | Fuel<br>surcharge<br>per car | Tariff plus surcharge per: |    | Percent<br>change<br>Y/Y <sup>3</sup> |
|--------------------------------------|--------------------|-----------------|--------------------|--------------------|------------------------------|----------------------------|----|---------------------------------------|
| 8/2/2010                             | metric ton         |                 |                    |                    |                              | bushel <sup>2</sup>        |    |                                       |
| <b><u>Unit train<sup>1</sup></u></b> |                    |                 |                    |                    |                              |                            |    |                                       |
| Wheat                                | Chicago, IL        | Albany, NY      | \$2,622            | \$128              | \$30.31                      | \$0.83                     | 3  |                                       |
|                                      | Kansas City, MO    | Galveston, TX   | \$2,828            | \$140              | \$32.72                      | \$0.89                     | 8  |                                       |
|                                      | South Central, KS  | Galveston, TX   | \$3,805            | \$302              | \$45.27                      | \$1.23                     | 10 |                                       |
|                                      | Minneapolis, MN    | Houston, TX     | \$3,799            | \$611              | \$48.62                      | \$1.32                     | 7  |                                       |
|                                      | St. Louis, MO      | Houston, TX     | \$3,715            | \$136              | \$42.45                      | \$1.16                     | 10 |                                       |
|                                      | South Central, ND  | Houston, TX     | \$5,478            | \$680              | \$67.88                      | \$1.85                     | 5  |                                       |
|                                      | Minneapolis, MN    | Portland, OR    | \$4,200            | \$743              | \$54.49                      | \$1.48                     | 7  |                                       |
|                                      | South Central, ND  | Portland, OR    | \$4,200            | \$610              | \$53.02                      | \$1.44                     | 6  |                                       |
|                                      | Northwest, KS      | Portland, OR    | \$5,100            | \$813              | \$65.18                      | \$1.77                     | 6  |                                       |
|                                      | Chicago, IL        | Richmond, VA    | \$2,834            | \$210              | \$33.56                      | \$0.91                     | 14 |                                       |
| Corn                                 | Chicago, IL        | Baton Rouge, LA | \$2,925            | \$172              | \$34.14                      | \$0.87                     | -4 |                                       |
|                                      | Council Bluffs, IA | Baton Rouge, LA | \$3,020            | \$184              | \$35.31                      | \$0.90                     | -4 |                                       |
|                                      | Kansas City, MO    | Dalhart, TX     | \$3,284            | \$220              | \$38.63                      | \$0.98                     | 2  |                                       |
|                                      | Minneapolis, MN    | Portland, OR    | \$3,609            | \$743              | \$47.97                      | \$1.22                     | 5  |                                       |
|                                      | Evansville, IN     | Raleigh, NC     | \$3,204            | \$205              | \$37.58                      | \$0.95                     | 9  |                                       |
|                                      | Columbus, OH       | Raleigh, NC     | \$3,093            | \$180              | \$36.08                      | \$0.92                     | 9  |                                       |
|                                      | Council Bluffs, IA | Stockton, CA    | \$4,900            | \$803              | \$62.86                      | \$1.60                     | 4  |                                       |
| Soybeans                             | Chicago, IL        | Baton Rouge, LA | \$3,178            | \$172              | \$36.93                      | \$1.01                     | 2  |                                       |
|                                      | Council Bluffs, IA | Baton Rouge, LA | \$3,192            | \$184              | \$37.21                      | \$1.01                     | 3  |                                       |
|                                      | Minneapolis, MN    | Portland, OR    | \$4,110            | \$743              | \$53.49                      | \$1.46                     | 9  |                                       |
|                                      | Evansville, IN     | Raleigh, NC     | \$3,204            | \$205              | \$37.58                      | \$1.02                     | 9  |                                       |
|                                      | Chicago, IL        | Raleigh, NC     | \$3,804            | \$256              | \$44.75                      | \$1.22                     | 8  |                                       |
| <b><u>Shuttle Train</u></b>          |                    |                 |                    |                    |                              |                            |    |                                       |
| Wheat                                | St. Louis, MO      | Houston, TX     | \$2,942            | \$136              | \$33.93                      | \$0.92                     | 7  |                                       |
|                                      | Minneapolis, MN    | Portland, OR    | \$3,700            | \$743              | \$48.98                      | \$1.33                     | 6  |                                       |
| Corn                                 | Fremont, NE        | Houston, TX     | \$2,520            | \$449              | \$32.73                      | \$0.83                     | 4  |                                       |
|                                      | Minneapolis, MN    | Portland, OR    | \$3,528            | \$743              | \$47.08                      | \$1.20                     | 9  |                                       |
| Soybeans                             | Council Bluffs, IA | Houston, TX     | \$2,787            | \$436              | \$35.52                      | \$0.97                     | 4  |                                       |
|                                      | Minneapolis, MN    | Portland, OR    | \$3,774            | \$743              | \$49.79                      | \$1.36                     | 11 |                                       |

<sup>1</sup>A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 90-110 cars that meet railroad efficiency requirements.

<sup>2</sup>Approximate load per car = 100 short tons (90.72 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

<sup>3</sup>Percentage 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: 8/2/2010

| Commodity | Origin state | Destination region   | Tariff rate/car <sup>1</sup> | Fuel                           | Tariff plus surcharge per: |                     | Percent change Y/Y <sup>4</sup> |
|-----------|--------------|----------------------|------------------------------|--------------------------------|----------------------------|---------------------|---------------------------------|
|           |              |                      |                              | surcharge per car <sup>2</sup> | metric ton <sup>3</sup>    | bushel <sup>3</sup> |                                 |
| Wheat     | MT           | Chihuahua, CI        | \$6,291                      | \$778                          | \$72.22                    | \$1.96              | 10                              |
|           | OK           | Cautitlan, EM        | \$5,857                      | \$576                          | \$65.73                    | \$1.79              | 10                              |
|           | KS           | Guadalajara, JA      | \$6,436                      | \$879                          | \$74.75                    | \$2.03              | 16                              |
|           | TX           | Salinas Victoria, NL | \$3,292                      | \$186                          | \$35.53                    | \$0.97              | 10                              |
| Corn      | IA           | Guadalajara, JA      | \$6,670                      | \$835                          | \$76.68                    | \$2.08              | 10                              |
|           | SD           | Penjamo, GJ          | \$6,440                      | \$990                          | \$75.92                    | \$2.06              | 7                               |
|           | NE           | Queretaro, QA        | \$6,130                      | \$554                          | \$68.29                    | \$1.86              | 3                               |
|           | SD           | Salinas Victoria, NL | \$4,570                      | \$736                          | \$54.21                    | \$1.47              | 1                               |
|           | MO           | Tlalnepantla, EM     | \$5,318                      | \$539                          | \$59.85                    | \$1.63              | 3                               |
|           | SD           | Torreon, CU          | \$5,330                      | \$820                          | \$62.84                    | \$1.71              | 5                               |
| Soybeans  | MO           | Bojay (Tula), HG     | \$6,066                      | \$742                          | \$69.56                    | \$1.89              | 10                              |
|           | NE           | Guadalajara, JA      | \$6,550                      | \$815                          | \$75.25                    | \$2.05              | 11                              |
|           | IA           | Penjamo (Celaya), GJ | \$6,690                      | \$1,001                        | \$78.58                    | \$2.14              | 11                              |
|           | KS           | Torreon, CU          | \$5,255                      | \$548                          | \$59.29                    | \$1.61              | 9                               |
| Sorghum   | OK           | Cautitlan, EM        | \$4,339                      | \$735                          | \$51.84                    | \$1.41              | 5                               |
|           | TX           | Guadalajara, JA      | \$5,350                      | \$776                          | \$62.59                    | \$1.70              | 17                              |
|           | NE           | Penjamo, GJ          | \$6,395                      | \$765                          | \$73.15                    | \$1.99              | 8                               |
|           | KS           | Queretaro, QA        | \$5,398                      | \$424                          | \$59.48                    | \$1.62              | 1                               |
|           | NE           | Salinas Victoria, NL | \$4,282                      | \$442                          | \$48.27                    | \$1.31              | 1                               |
|           | NE           | Torreon, CU          | \$5,240                      | \$584                          | \$59.50                    | \$1.62              | 7                               |

<sup>1</sup>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.

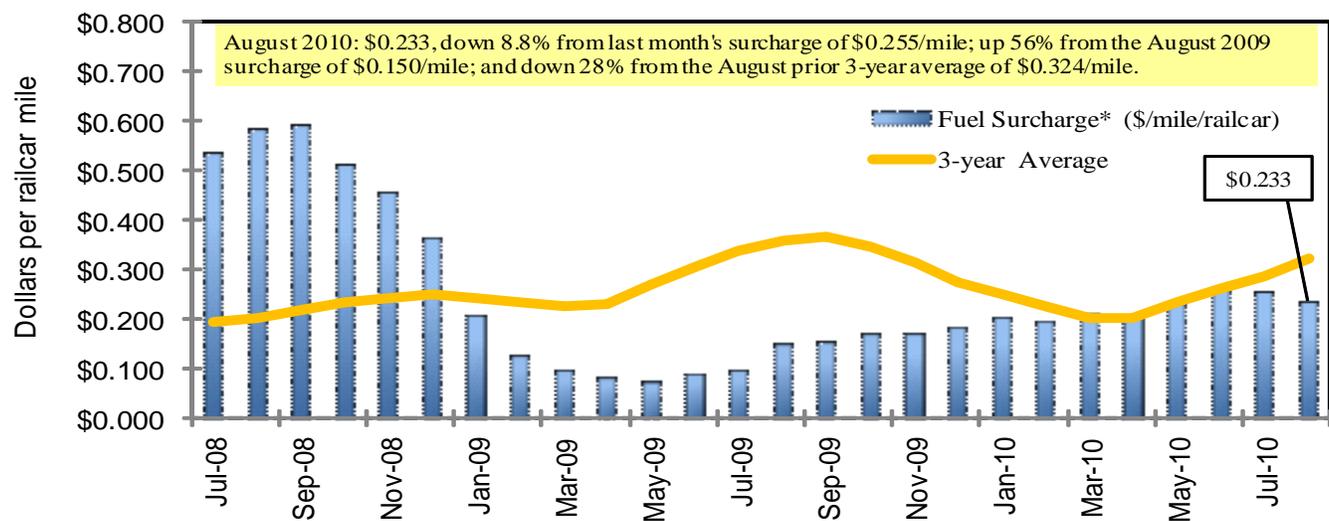
<sup>2</sup>Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009

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

<sup>4</sup>Percentage 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 Average<sup>1</sup>**

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

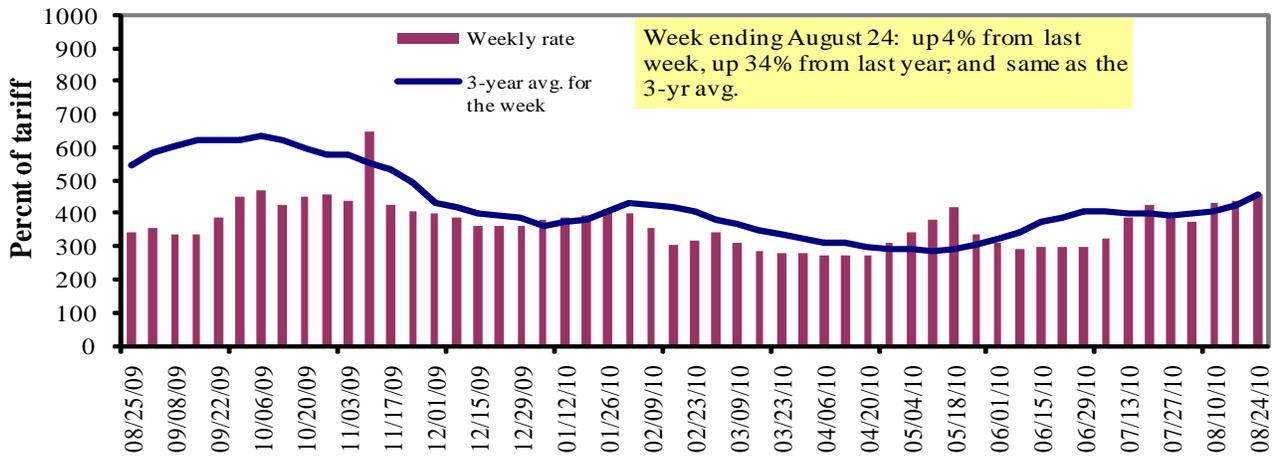
\* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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<sup>1,2</sup>



<sup>1</sup>Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); <sup>2</sup>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 |
|--|--------------------------|-------------|-----------------|----------------|-----------|------------|------------|---------------|
| <b>Rate<sup>1</sup></b>                          | 8/24/2010                | 481         | 456             | 456            | 450       | 551        | 551        | 438           |
|  | 8/17/2010                | 456         | 435             | 437            | 392       | 461        | 461        | 392           |
| <b>\$/ton</b>                                    | 8/24/2010                | 29.77       | 24.26           | 21.16          | 17.96     | 25.84      | 22.26      | 13.75         |
|  | 8/17/2010                | 28.23       | 23.14           | 20.28          | 15.64     | 21.62      | 18.62      | 12.31         |
| <b>Current week % change from the same week:</b> |                          |             |                 |                |           |            |            |               |
|  | Last year                | 36          | 35              | 34             | 59        | 53         | 53         | 40            |
|  | 3-year avg. <sup>2</sup> | 5           | 0               | 0              | 2         | 26         | 26         | -3            |
| <b>Rate<sup>1</sup></b>                          | September                | 620         | 604             | 619            | 565       | 629        | 629        | 563           |
|  | November                 | 608         | 470             | 463            | 386       | 460        | 460        | 366           |

<sup>1</sup>Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); <sup>2</sup>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).

Figure 9  
Benchmark tariff rates

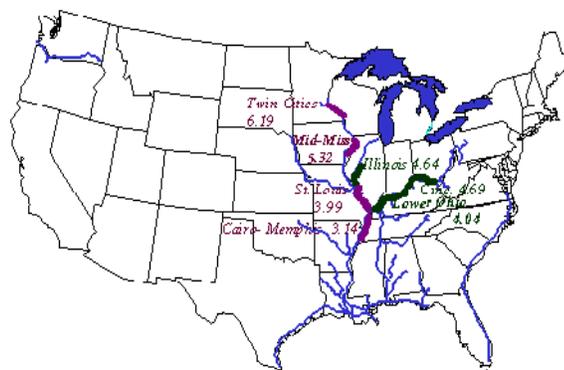
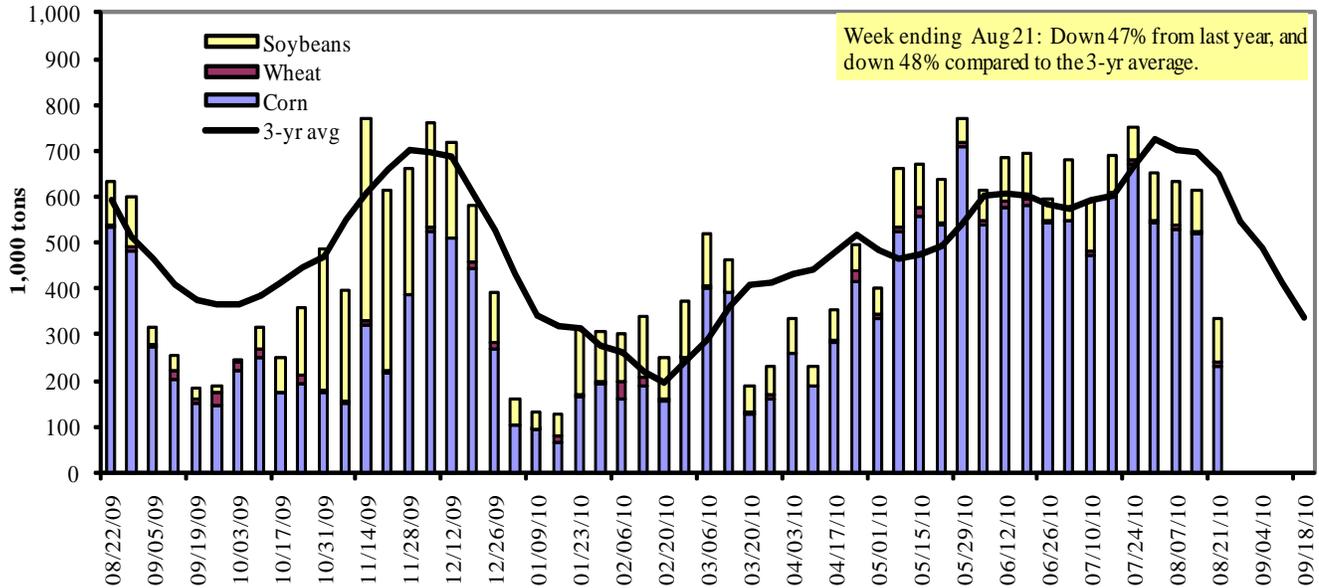


Figure 10

**Barge Movements on the Mississippi River<sup>1</sup> (Locks 27 - Granite City, IL)**



<sup>1</sup> The 3-year average is a 4-week moving average.

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

Table 10

**Barge Grain Movements (1,000 tons)**

| Week ending 8/21/2010                  | Corn   | Wheat | Soybeans | Other | Total  |
|--|--------|-------|----------|-------|--------|
| <b>Mississippi River</b>               |        |       |          |       |        |
| Rock Island, IL (L15)                  | 127    | 11    | 48       | 0     | 186    |
| Winfield, MO (L25)                     | 166    | 8     | 86       | 2     | 262    |
| Alton, IL (L26)                        | 236    | 8     | 86       | 5     | 335    |
| Granite City, IL (L27)                 | 231    | 9     | 95       | 5     | 341    |
| <b>Illinois River (L8)</b>             | 58     | 0     | 3        | 3     | 64     |
| <b>Ohio River (L52)</b>                | 15     | 3     | 9        | 0     | 27     |
| <b>Arkansas River (L1)</b>             | 0      | 22    | 18       | 1     | 42     |
| Weekly total - 2010                    | 247    | 35    | 122      | 6     | 410    |
| Weekly total - 2009                    | 572    | 22    | 118      | 8     | 720    |
| 2010 YTD <sup>1</sup>                  | 15,886 | 849   | 5,221    | 299   | 22,255 |
| 2009 YTD                               | 16,844 | 998   | 5,831    | 278   | 23,951 |
| 2010 as % of 2009 YTD                  | 94     | 85    | 90       | 107   | 93     |
| Last 4 weeks as % of 2009 <sup>2</sup> | 73     | 104   | 83       | 111   | 76     |
| Total 2009                             | 23,424 | 1,501 | 10,465   | 430   | 35,819 |

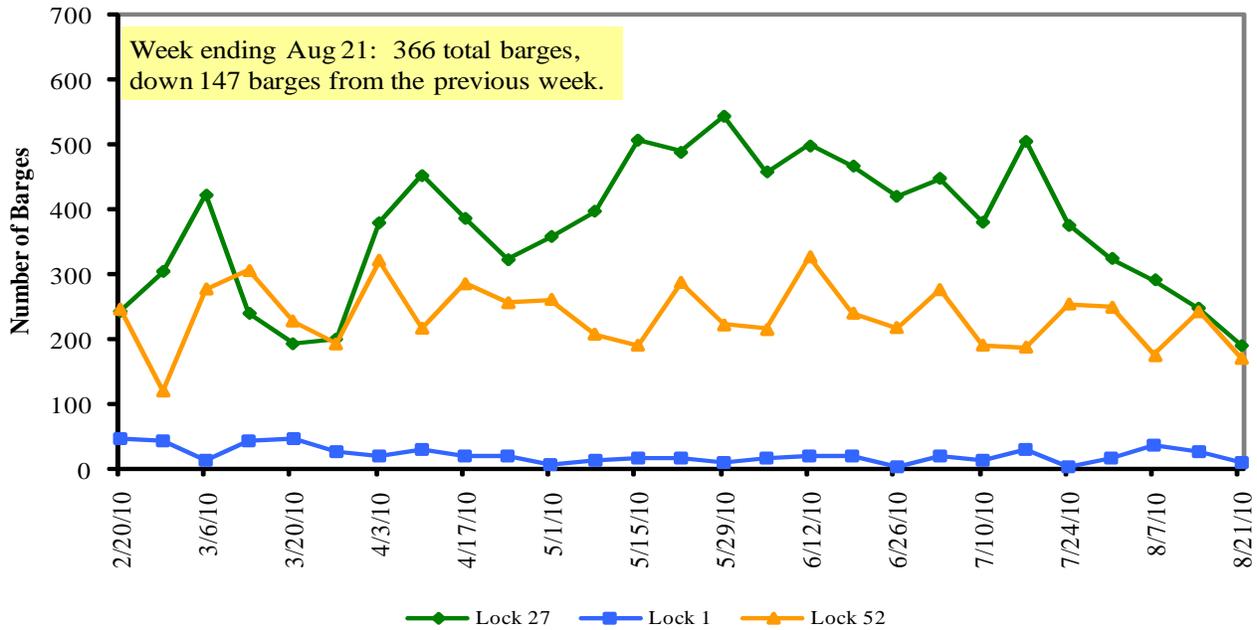
<sup>1</sup> Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

<sup>2</sup> As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

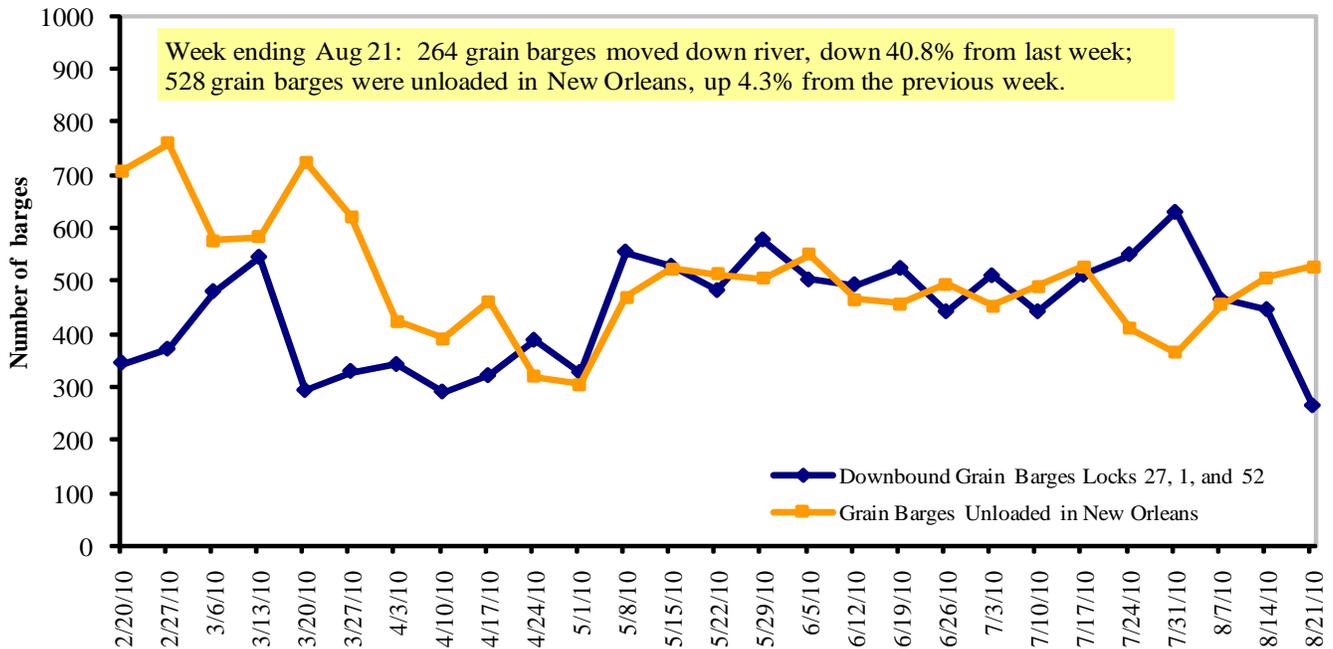
Source: U.S. Army Corps of Engineers ([www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp](http://www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp))

**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 Prices<sup>1</sup>, Week Ending 8/23/2010 (US \$/gallon)

| Region | Location                | Price | Change from |          |
|--------|-------------------------|-------|-------------|----------|
|        |                         |       | Week ago    | Year ago |
| I      | East Coast              | 2.952 | -0.025      | 0.260    |
|        | New England             | 3.009 | -0.015      | 0.268    |
|        | Central Atlantic        | 3.038 | -0.017      | 0.257    |
|        | Lower Atlantic          | 2.910 | -0.030      | 0.261    |
| II     | Midwest <sup>2</sup>    | 2.927 | -0.026      | 0.290    |
| III    | Gulf Coast <sup>3</sup> | 2.916 | -0.017      | 0.294    |
| IV     | Rocky Mountain          | 3.016 | 0.005       | 0.345    |
| V      | West Coast              | 3.114 | -0.015      | 0.329    |
|        | California              | 3.171 | -0.015      | 0.291    |
| Total  | U.S.                    | 2.957 | -0.022      | 0.289    |

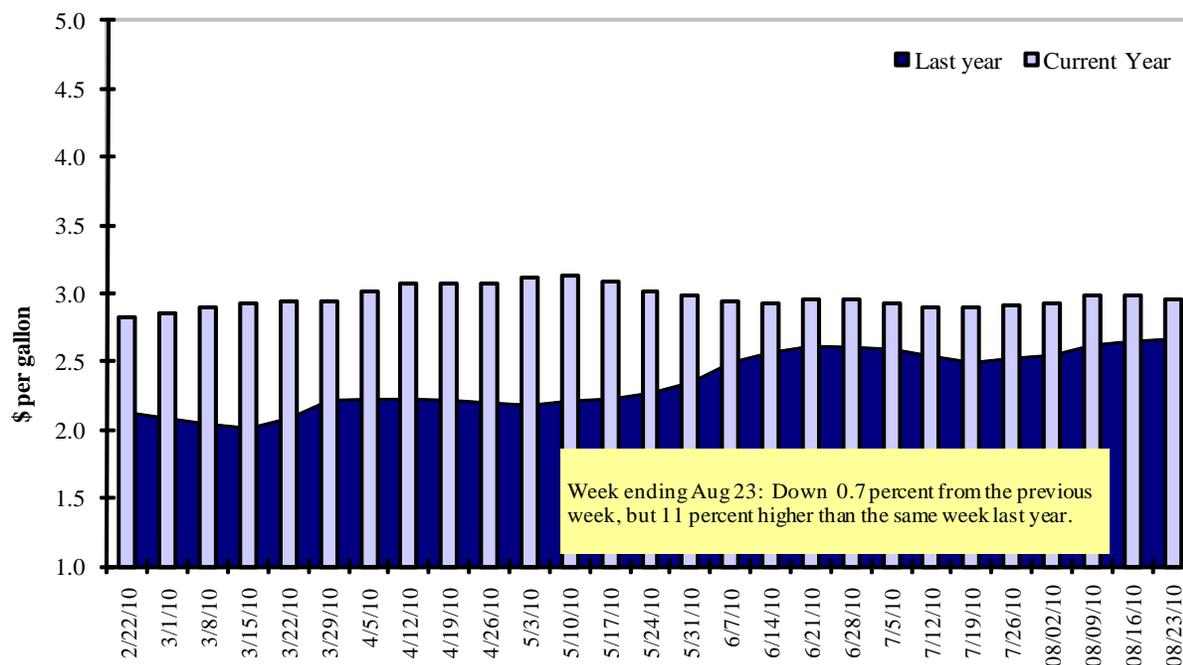
<sup>1</sup>Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

<sup>2</sup>Same as North Central <sup>3</sup>Same as South Central

Source: Energy Information Administration/U.S. Department of Energy ([www.eia.doe.gov](http://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 |        |          |         |
| <b>Export Balances<sup>1</sup></b>                   |        |       |       |       |       |           |        |          |         |
| 8/12/2010  | 3,191  | 559   | 1,781 | 1,230 | 370   | 7,131     | 7,053  | 2,391    | 16,575  |
| This week year ago                                   | 1,329  | 625   | 930   | 983   | 233   | 4,099     | 6,107  | 3,273    | 13,479  |
| <b>Cumulative exports-marketing year<sup>2</sup></b> |        |       |       |       |       |           |        |          |         |
| 2009/10 YTD  | 2,242  | 437   | 1,170 | 859   | 144   | 4,851     | 45,386 | 38,729   | 88,966  |
| 2008/09 YTD  | 1,414  | 584   | 763   | 702   | 118   | 3,581     | 42,330 | 32,786   | 78,697  |
| YTD 2009/10 as % of 2008/09                          | 159    | 75    | 153   | 122   | 122   | 135       | 107    | 118      | 113     |
| Last 4 wks as % of same period 2008/09               | 189    | 91    | 150   | 118   | 144   | 146       | 127    | 81       | 122     |
| 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 |

<sup>1</sup> Current unshipped export sales to date

<sup>2</sup> Shipped export sales to date; the new marketing year is in effect for wheat

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<sup>1</sup> of U.S. Corn

| Week ending 08/12/10   | Total Commitments <sup>2</sup> |                       |                    | % change<br>current MY<br>from last MY | Exports <sup>3</sup><br><br>2008/09 |
|--|--------------------------------|-----------------------|--------------------|--|-------------------------------------|
|  | 2010/11<br>Next MY             | 2009/10<br>Current MY | 2008/09<br>Last MY |  |                                     |
|  | - 1,000 mt -                   |                       |                    |  | - 1,000 mt -                        |
| Japan <sup>4</sup>   | 1,387                          | 16,057                | 17,083             | (6)                                    | 15,910                              |
| Mexico   | 1,631                          | 8,258                 | 7,515              | 10                                     | 7,454                               |
| Korea  | 453                            | 7,835                 | 5,208              | 50                                     | 5,129                               |
| Taiwan   | 120                            | 3,223                 | 3,535              | (9)                                    | 3,198                               |
| Egypt <sup>5</sup>   | 325                            | 3,080                 | 2,274              | 35                                     | 2,233                               |
| <b>Top 5 importers</b>   | <b>3,916</b>                   | <b>38,454</b>         | <b>35,615</b>      | <b>8</b>                               | <b>33,924</b>                       |
| <b>Total US corn export sales<sup>6</sup></b>                      | <b>7,236</b>                   | <b>52,438</b>         | <b>48,437</b>      | <b>8</b>                               | <b>47,180</b>                       |
| % of Projected   | 14%                            | 105%                  | 103%               |  |                                     |
| Change from Last Week  | 2,294                          | 595                   | 577                |  |                                     |
| <b>Top 5 importers' share of U.S.<br/>corn export sales</b>        | 54%                            | 73%                   | 74%                |  |                                     |
| <b>USDA forecast, August 2010</b>                                  | <b>52,070</b>                  | <b>50,170</b>         | <b>47,180</b>      | <b>6</b>                               |                                     |
| <b>Corn Use for Ethanol USDA<br/>forecast, Ethanol August 2010</b> | <b>119,380</b>                 | <b>114,300</b>        | <b>94,209</b>      | <b>21</b>                              |                                     |

(n) indicates negative number.

<sup>1</sup>Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

<sup>3</sup>FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.

<sup>4</sup> Not included - FAS Press Release: **229,974 mt** on (121,920 mt on 8/17; 105,054 mt on 8/23) to Japan for 2010/11.

<sup>5</sup> Not included - FAS Press Release: **240,000 mt** on 08/18 to Egypt for 2010/11.

<sup>6</sup> Not included - FAS Press Release: **167,252 mt** on 08/23 to Unknown for 2010/11.

Table 14

**Top 5 Importers<sup>1</sup> of U.S. Soybeans**

| Week ending 08/12/10  | Total Commitments <sup>2</sup> |                       |                    | % change<br>current MY<br>from last MY | Exports <sup>3</sup><br>2008/09 |
|---|--------------------------------|-----------------------|--------------------|--|---------------------------------|
|   | 2010/11<br>Next MY             | 2009/10<br>Current MY | 2008/09<br>Last MY |  |                                 |
|   | - 1,000 mt -                   |                       |                    |  | - 1,000 mt -                    |
| China <sup>4</sup>  | 8,768                          | 23,042                | 19,801             | 16                                     | 18,681                          |
| Mexico  | 396                            | 3,323                 | 3,170              | 5                                      | 3,098                           |
| Japan   | 217                            | 2,576                 | 2,667              | (3)                                    | 2,410                           |
| EU-25   | 60                             | 2,703                 | 2,186              | 24                                     | 2,180                           |
| Taiwan  | 117                            | 1,574                 | 1,685              | (7)                                    | 1,592                           |
| <b>Top 5 importers</b>  | <b>9,559</b>                   | <b>33,217</b>         | <b>29,510</b>      | <b>13</b>                              | <b>27,961</b>                   |
| <b>Total US soybean export sales<sup>5</sup></b>                | <b>13,878</b>                  | <b>41,120</b>         | <b>36,058</b>      | <b>14</b>                              | <b>34,930</b>                   |
| % of Projected  | 36%                            | 103%                  | 103%               |  |                                 |
| Change from last week   | 2,050                          | 182                   | 275                |  |                                 |
| <b>Top 5 importers' share of U.S.<br/>soybean export sales</b>  | 69%                            | 81%                   | 82%                |  |                                 |
| <b>USDA forecast, August 2010</b>                               | <b>39,050</b>                  | <b>40,010</b>         | <b>34,930</b>      | <b>15</b>                              |                                 |
| <b>Soybean Use for Biodiesel USDA<br/>forecast, August 2010</b> | <b>6,954</b>                   | <b>4,316</b>          | <b>4,573</b>       | <b>(6)</b>                             |                                 |

(n) indicates negative number.

<sup>1</sup>Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.<sup>3</sup>FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.<sup>4</sup>Not included - FAS Press Release: **220,000 mt** on 8/16 to China for 2010/11.<sup>5</sup>Not included - FAS Press Release: **110,000 mt** on 8/17 to Unknown for 2010/11.

Table 15

**Top 10 Importers<sup>1</sup> of All U.S. Wheat**

| Week Ending 08/12/2010  | Total Commitments <sup>2</sup> |                    | % change<br>current MY<br>from last MY | Exports <sup>3</sup><br>2009/10 |
|---|--------------------------------|--------------------|--|---------------------------------|
|   | 2010/11<br>Current MY          | 2009/10<br>Last MY |  |                                 |
|   | - 1,000 mt -                   |                    |  | - 1,000 mt -                    |
| Nigeria   | 1,295                          | 1,086              | 19                                     | 3,233                           |
| Japan   | 1,339                          | 883                | 52                                     | 3,148                           |
| Mexico  | 1,184                          | 685                | 73                                     | 1,975                           |
| Philippines   | 1,099                          | 638                | 72                                     | 1,518                           |
| Korea, South  | 646                            | 466                | 39                                     | 1,111                           |
| Taiwan  | 185                            | 255                | (27)                                   | 844                             |
| Venezuela   | 172                            | 184                | (6)                                    | 658                             |
| Colombia  | 330                            | 258                | 28                                     | 575                             |
| Peru  | 427                            | 225                | 90                                     | 567                             |
| Indonesia   | 141                            | 266                | (47)                                   | 529                             |
| <b>Top 10 importers</b>                                       | <b>6,819</b>                   | <b>4,945</b>       | <b>38</b>                              | <b>14,156</b>                   |
| <b>Total US wheat export sales<sup>4</sup></b>                | <b>11,982</b>                  | <b>7,680</b>       | <b>56</b>                              | <b>23,980</b>                   |
| % of Projected  | 37%                            | 32%                |  |                                 |
| Change from last week   | 1,412                          | 359                |  |                                 |
| <b>Top 10 importers' share of<br/>U.S. wheat export sales</b> | 57%                            | 64%                |  |                                 |
| <b>USDA forecast, August 2010</b>                             | <b>32,660</b>                  | <b>23,980</b>      | <b>36</b>                              |                                 |

(n) indicates negative number.

<sup>1</sup>Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.<sup>3</sup>FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.<sup>4</sup>Not Included, FAS Press Release: **165,000 mt** HRW Wheat to Unknown for 2010/11.

Table 16

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

| Port regions                             | Week ending<br>08/19/10 | 2010 YTD <sup>1</sup> | 2009 YTD <sup>1</sup> | 2010 YTD as<br>% of 2009 YTD | Last 4-weeks as % of |            | Total <sup>1</sup><br>2009 |
|--|-------------------------|-----------------------|-----------------------|------------------------------|----------------------|------------|----------------------------|
|  |                         |                       |                       |                              | 2009                 | 3-yr. avg. |                            |
| <b>Pacific Northwest</b>                 |                         |                       |                       |                              |                      |            |                            |
| Wheat                                    | 255                     | 6,851                 | 6,081                 | 113                          | 137                  | 102        | 10,091                     |
| Corn                                     | 232                     | 6,918                 | 5,711                 | 121                          | 108                  | 123        | 8,498                      |
| Soybeans                                 | 0                       | 4,850                 | 4,444                 | 109                          | 136                  | 125        | 9,743                      |
| <b>Total</b>                             | <b>487</b>              | <b>18,619</b>         | <b>16,236</b>         | <b>115</b>                   | <b>121</b>           | <b>114</b> | <b>28,332</b>              |
| <b>Mississippi Gulf</b>                  |                         |                       |                       |                              |                      |            |                            |
| Wheat                                    | 17                      | 2,431                 | 2,598                 | 94                           | 70                   | 34         | 4,019                      |
| Corn                                     | 640                     | 18,959                | 19,728                | 96                           | 83                   | 87         | 28,843                     |
| Soybeans                                 | 311                     | 10,053                | 11,217                | 90                           | 139                  | 160        | 21,831                     |
| <b>Total</b>                             | <b>968</b>              | <b>31,443</b>         | <b>33,543</b>         | <b>94</b>                    | <b>91</b>            | <b>87</b>  | <b>54,693</b>              |
| <b>Texas Gulf</b>                        |                         |                       |                       |                              |                      |            |                            |
| Wheat                                    | 201                     | 5,071                 | 3,446                 | 147                          | 155                  | 74         | 5,735                      |
| Corn                                     | 0                       | 1,134                 | 1,115                 | 102                          | 55                   | 100        | 1,968                      |
| Soybeans                                 | 0                       | 667                   | 472                   | 141                          | n/a                  | n/a        | 2,402                      |
| <b>Total</b>                             | <b>201</b>              | <b>6,873</b>          | <b>5,032</b>          | <b>137</b>                   | <b>122</b>           | <b>77</b>  | <b>10,105</b>              |
| <b>Great Lakes</b>                       |                         |                       |                       |                              |                      |            |                            |
| Wheat                                    | 91                      | 511                   | 245                   | 208                          | 197                  | 123        | 990                        |
| Corn                                     | 0                       | 53                    | 157                   | 34                           | 28                   | 16         | 353                        |
| Soybeans                                 | 0                       | 0                     | 69                    | 0                            | n/a                  | 0          | 781                        |
| <b>Total</b>                             | <b>91</b>               | <b>563</b>            | <b>471</b>            | <b>120</b>                   | <b>154</b>           | <b>90</b>  | <b>2,124</b>               |
| <b>Atlantic</b>                          |                         |                       |                       |                              |                      |            |                            |
| Wheat                                    | 0                       | 195                   | 411                   | 47                           | 3                    | 2          | 552                        |
| Corn                                     | 0                       | 244                   | 115                   | 211                          | 198                  | 123        | 472                        |
| Soybeans                                 | 2                       | 706                   | 463                   | 152                          | 15                   | 23         | 1,268                      |
| <b>Total</b>                             | <b>2</b>                | <b>1,144</b>          | <b>989</b>            | <b>116</b>                   | <b>13</b>            | <b>11</b>  | <b>2,292</b>               |
| <b>U.S. total from ports<sup>2</sup></b> |                         |                       |                       |                              |                      |            |                            |
| Wheat                                    | 563                     | 15,060                | 12,781                | 118                          | 125                  | 73         | 21,387                     |
| Corn                                     | 872                     | 27,308                | 26,826                | 102                          | 88                   | 95         | 40,134                     |
| Soybeans                                 | 313                     | 16,275                | 16,666                | 98                           | 134                  | 145        | 36,025                     |
| <b>Total</b>                             | <b>1,749</b>            | <b>58,642</b>         | <b>56,273</b>         | <b>104</b>                   | <b>104</b>           | <b>92</b>  | <b>97,546</b>              |

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

<sup>2</sup> Total includes only port regions shown above

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

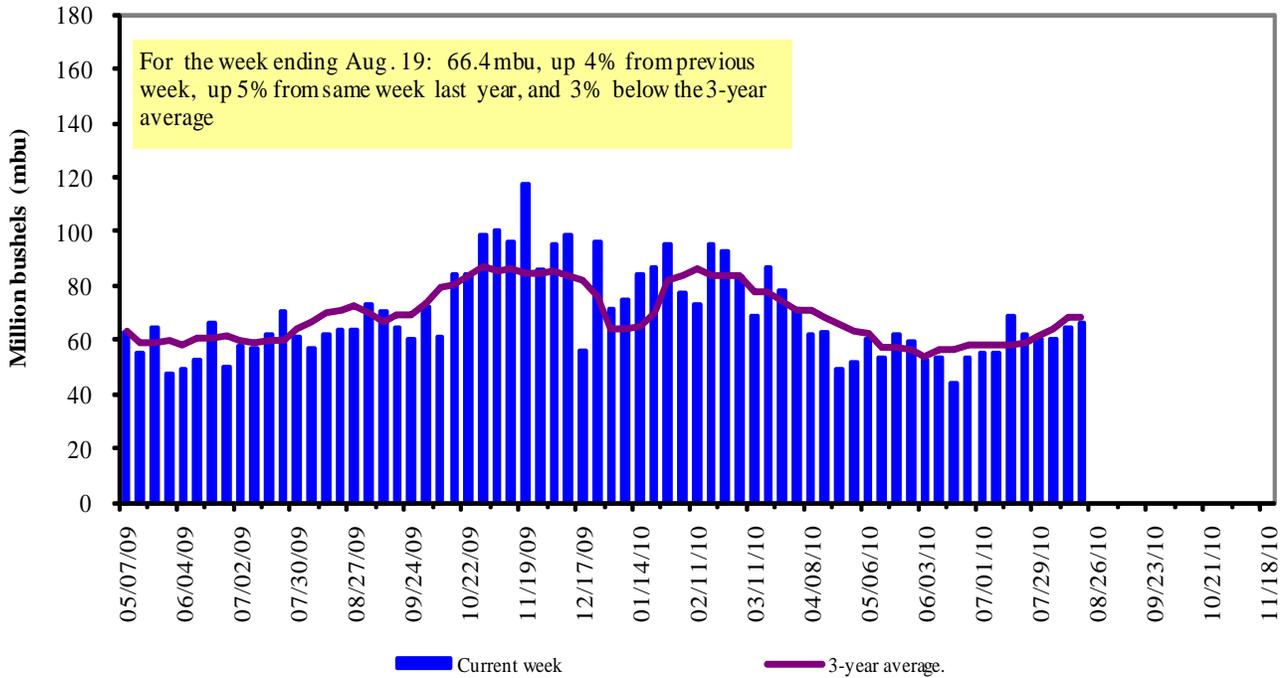
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The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 62 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2009.

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Figure 14

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

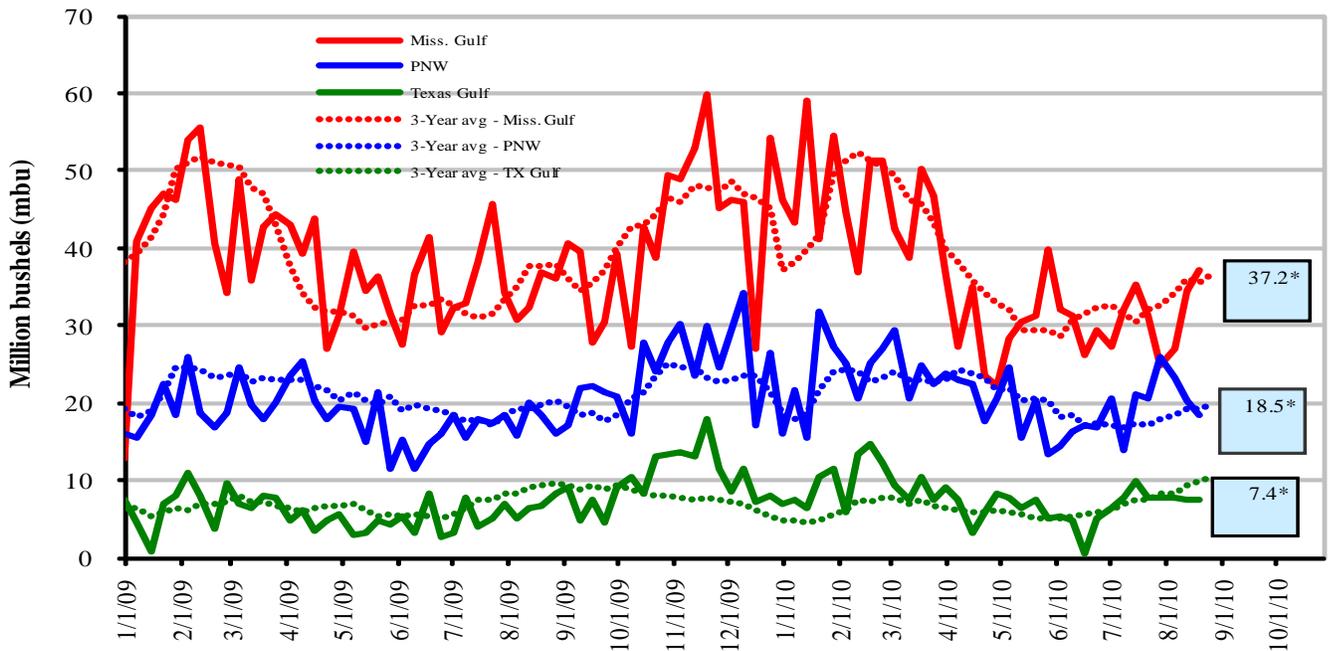


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

**U.S. Grain Inspections: U.S. Gulf and PNW<sup>1</sup> (wheat, corn, and soybeans)**



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

| <u>Aug 19, % change from:</u> | <u>MS Gulf</u> | <u>TX Gulf</u> | <u>U.S. Gulf</u> | <u>PNW</u> |
|-------------------------------|----------------|----------------|------------------|------------|
| Last week                     | up 8           | down 3.4       | up 6             | down 9     |
| Last year (same week)         | up 0.7         | up 9           | up 2             | up 0.8     |
| 3-yr avg. (4-wk mov. avg.)    | up 5           | down 25        | down 2           | up 1.8     |

# Ocean Transportation

Table 17

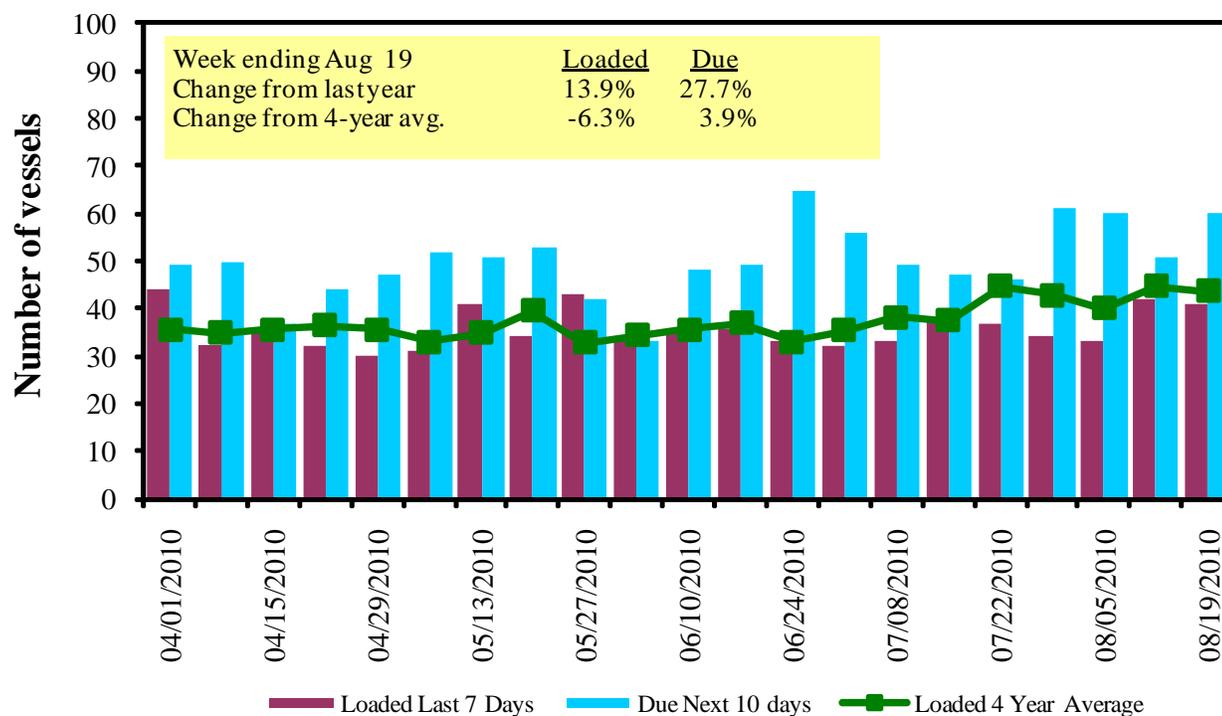
**Weekly Port Region Grain Ocean Vessel Activity (number of vessels)**

| Date       | Gulf     |               |                  | Pacific Northwest | Vancouver B.C. |
|------------|----------|---------------|------------------|-------------------|----------------|
|            | In port  | Loaded 7-days | Due next 10-days | In port           | In port        |
| 8/19/2010  | 55       | 41            | 60               | 12                | 10             |
| 8/12/2010  | 46       | 42            | 51               | 14                | 8              |
| 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<sup>1</sup> Vessel Loading Activity**

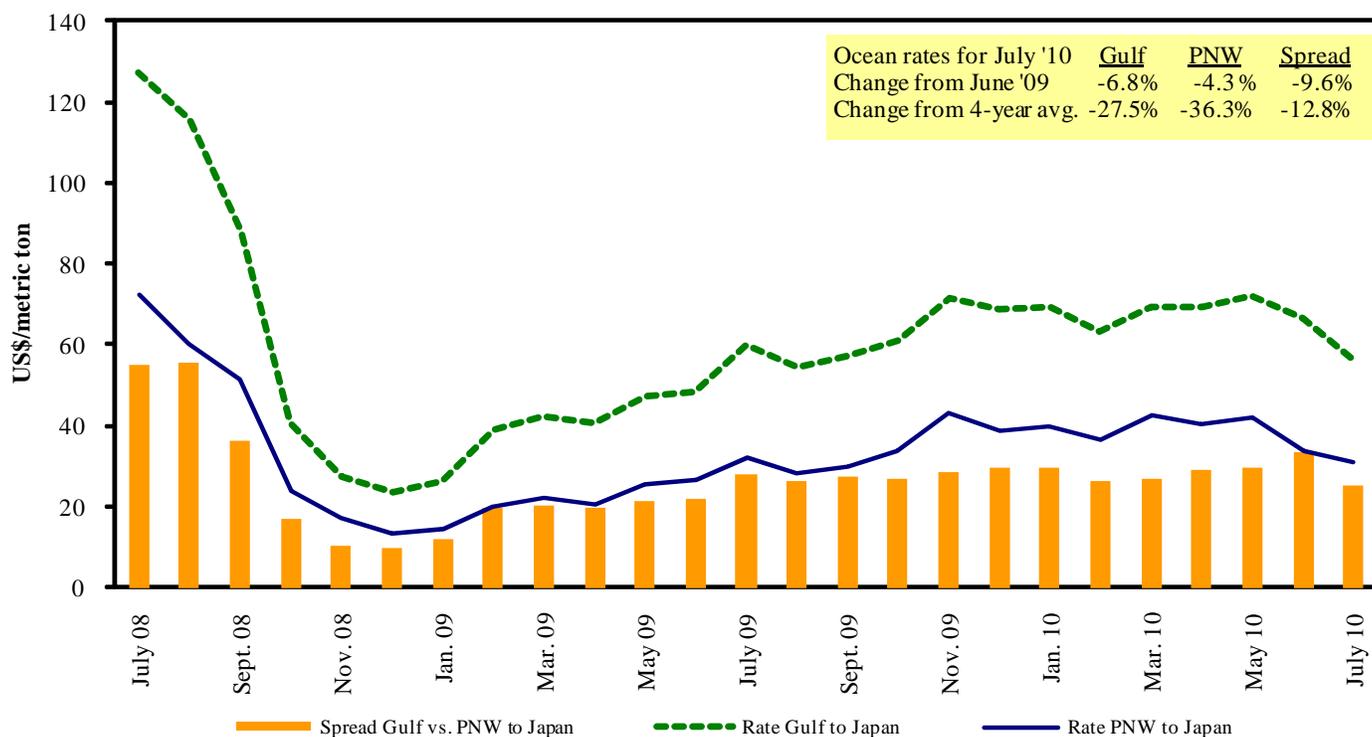


Source: Transportation & Marketing Programs/AMS/USDA

<sup>1</sup>U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

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



Source: O'Neil Commodity Consulting

Table 18

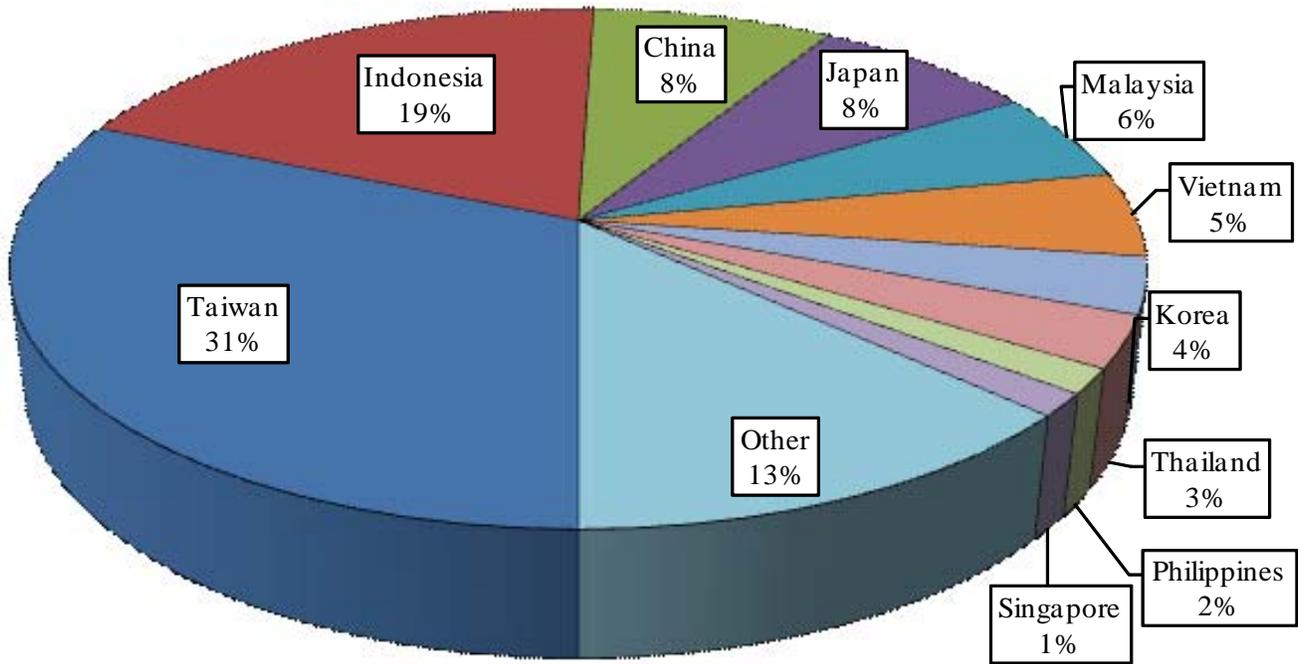
### Ocean Freight Rates For Selected Shipments, Week Ending 8/21/2010

| Export region | Import region           | Grain types | Loading date | Volume loads (metric tons) | Freight rate (US\$/metric ton) |
|---------------|-------------------------|-------------|--------------|----------------------------|--------------------------------|
| U.S. Gulf     | China                   | Heavy Grain | July 15/30   | 55,000                     | 59.00                          |
| U.S. Gulf     | China                   | Heavy Grain | Aug 5/10     | 55,000                     | 56.00                          |
| U.S. Gulf     | South Africa            | Wheat       | Aug 20/30    | 25,000                     | 59.50                          |
| U.S. Gulf     | South Africa            | Wheat       | Jun 28/30    | 25,000                     | 57.50                          |
| U.S. Gulf     | South Africa            | Wheat       | July 1/10    | 25,000                     | 56.00                          |
| U.S. Atlantic | Poland                  | Soybeans    | Mar 9/15     | 24,000                     | 50.00                          |
| U.S. PNW      | Bangladesh <sup>1</sup> | Wheat       | Aug 20/30    | 24,590                     | 92.00                          |
| St. Lawrence  | Morocco                 | Wheat       | Aug 25/30    | 25,000                     | 29.75                          |
| St. Lawrence  | Morocco                 | Wheat       | Jul 26/31    | 25,000                     | 26.50                          |
| Brazil        | Spain                   | Corn        | Aug 10/15    | 25,000                     | 31.50                          |
| Ukraine       | Saudi Arabia            | Barley      | May 20/30    | 35,000                     | 42.00                          |
| France        | Algeria                 | Wheat       | May 25/30    | 25,000                     | 31.00                          |
| France        | Algeria                 | Wheat       | May 10/20    | 25,000                     | 26.75                          |
| France        | Algeria                 | Wheat       | Jun 25/30    | 25,000                     | 29.00                          |
| France        | Algeria                 | Wheat       | Jul 5/10     | 25,000                     | 25.50                          |
| River Plate   | Algeria                 | Soybeanmeal | July 1/10    | 25,000                     | 56.00                          |
| River Plate   | Algeria                 | Soybeanmeal | May 28/31    | 25,000                     | 69.00                          |

In 2009, containers were used to transport 5 percent of total waterborne grain exports, and 6 percent of U.S. grain exports to Asia.

Figure 18

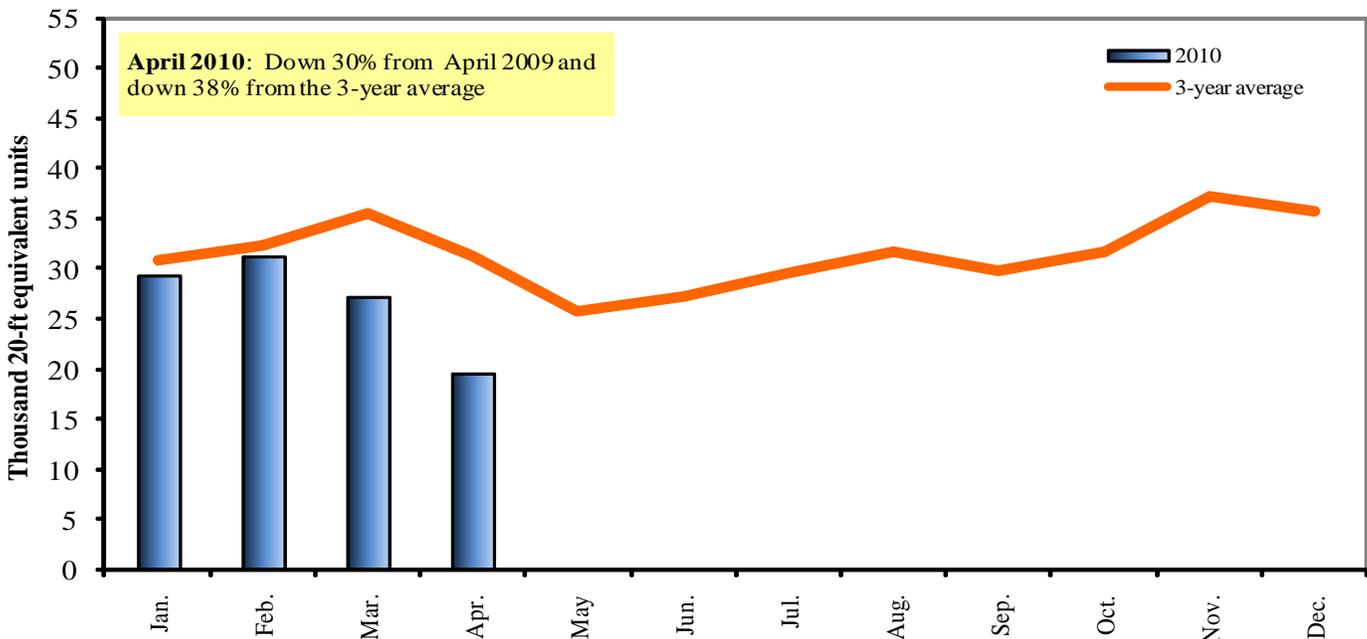
**Top 10 Destination Markets for U.S. Containerized Grain Exports, April 2010**



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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