



Oct. 14, 2010

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WEEKLY HIGHLIGHTS

Continued Favorable Weather Advances an Early Corn and Soybean Harvest

As of October 10, the corn harvest is ahead of its normal pace for this time of year, with 51 percent of the corn harvested nationwide compared to the average of 30 percent. The soybean harvest is even further ahead of normal at 67 percent complete, also well ahead of the 48 percent average harvest pace. Continued dry weather and warmer-than-average October temperatures have contributed to the accelerated pace of harvest activity. This steady pace has increased demand for barge service on the Upper Mississippi River. Barge rates for the northern portion of the Upper Mississippi River have increased significantly over the last two weeks. Minneapolis-St. Paul rates to New Orleans for October 12 were 719 percent of tariff (\$44.51 per ton), slightly higher than the previous record in November 2005.

U.S. Grain Inspections Continue to Increase

For the week ending October 7, total inspections of grain (corn, wheat, and soybeans) from all major U.S. export regions reached 2.28 million metric tons (mmt), up 2 percent from the past week and 40 percent above the previous year. Total inspections are up for the second consecutive week, 24 percent above the last four weeks and 7 percent above the three-year average (**Table 16**). Soybean inspections (.976 mmt) also remained strong, with total inspections of soybeans 82 percent above the previous week and 57 percent above last year. Over 40 percent of total soybean inspections were destined for China. Inspections of wheat and corn were down compared to the previous week. However, the current unshipped export balance implies wheat and corn inspections will probably rebound.

Gulf Loading Activity Continues to be Strong

For the week ending October 7, 48 **ocean-going grain vessels** were loaded in the U.S. Gulf and 70 vessels are expected to be loaded within the next 10 days. The number of loaded vessels is up 37 and 9 percent compared to last year and the 4-year average. Expected vessels are down 5 percent from last year, but up 7 percent compared to the 4-year average. During the past four weeks, an average of 46 vessels were loaded each week in the Gulf and 65 vessels were expected within the next 10 days. During the previous 8 weeks, an average of 39 vessels were loaded each week and 55 vessels were expected within the next 10 days. The demand for transportation activity is expected to be strong if the Gulf loading activity continues at the current pace through the harvest period.

Updated Data for the Containerized Grain Section of the GTR

In response to feedback from our readers, the GTR Team has added 2 additional Harmonized Tariff System (HTS) codes to the calculation of grain for containerized movements. These new codes help include a growing sector of the containerized grain market, distiller's grains. See Figures 18 and 19 for a full list of the HTS codes used in the containerized grain calculations.

Snapshots by Sector

Rail

U.S. railroads originated 24,969 **carloads of grain** during the week ending October 2, up 8 percent from last week, up 11 percent from last year, and 8 percent higher than the 3-year average.

During the week ending October 9, average October non-shuttle **secondary railcar bids/offers** were \$500 above tariff, up \$56 from last week. Average shuttle rates were \$1,038 above tariff, down \$200 from last week.

Ocean

During the week ending October 8, the cost of shipping grain from the Gulf to Japan averaged \$60 per mt, down 2 percent from the previous week. The rate from the Pacific Northwest to Japan was \$33 per mt, up 3 percent from the previous week.

Barge

During the week ending October 9, **barge grain movements** totaled 604,492 tons, 18 percent higher than the previous week and 22 percent higher than the same period last year.

Fuel

During the week ending October 11, U.S. average **diesel fuel prices** increased 7 cents per gallon to \$3.07—2.2 percent higher than the previous week and 18 percent higher than the same week last year.

Feature Article/Calendar

CONTAINERIZED GRAIN UPDATE AND OUTLOOK

Despite container availability challenges and several rounds of rate increases from the carriers during the first half of this year, containerized grain exports are recovering from the recessionary pressures of 2009. Year-to-date shipments through the first 7 months of the year are 27 percent higher than last year, but 5 percent below average because there were fewer shipments during the summer months. These shipments are influenced not only by demand for products overseas but also the competition with bulk ocean freight, which has been relatively inexpensive this year.

In the table to the right, soybeans continue to be the top containerized grain export, followed by distiller's grains, which have been in great demand this year, particularly in China and Vietnam. According to a recent presentation at the Global Soybean and Grain Transport 2010 Summit, Vietnam imported more soybeans in the first quarter of this year than it did in all of 2009. The rapid recovery from the global recession in China, Vietnam, and other Asian markets has increased demand for higher-valued food products, such as local meat products that are possible through increased imported feed grains.

Container Availability and Rates

Containerized grain exporters report that container availability has improved since the beginning of the year. Sufficient equipment is available even in locations such as Minneapolis that typically run a container deficit. Vessel capacity has returned to near pre-recession levels, easing the tight vessel capacity situation. Container manufacturers in China that stopped production in late 2008 and 2009 have increased production again, but not quite to the level of pre-recession demand. The renewed manufacture of containers has helped ease some of the availability challenges. In an effort to recover 2009 losses, carriers implemented several rounds of rate increases, beginning at the end of 2009. These rate increases have tapered off in the face of relatively low-cost bulk rates.

Transportation Outlook

Shippers are concerned that container availability could tighten through the end of this year and early next, as import traffic tapers off and container manufacturing maintains its current pace. Historically, during December and January import traffic continues but is normally lower than during other parts of the year. The shortage of import containers during this slow period normally puts pressure on the availability of equipment for the export market because import containers provide the supply of equipment for the export market. However, so far this harvest season, traditional bulk grain shippers have the option to ship by either container or bulk transportation due to relatively low rates for both bulk and container options.

In September, container carriers postponed, until November 1, rate increases scheduled for October 1, probably due to the pressure of low bulk rates. The Westbound Transpacific Stabilization Agreement (WTSA) reports that the proposed rate increase guidelines are \$300 per 40-foot container for dry cargoes including grains, oilseeds, cotton, grain products, and meals.

As an additional alternative, some carriers have reconfigured smaller, handy sized bulk vessels into combo vessels with separate holds in the hull that are used to move different products such as soybean meal, corn, distiller's grains, and soybeans. Much like containerized shipping, these bulk vessel

Top 5 U.S. Waterborne Containerized Grain Exports, Jan-Jul, 2010*		
Commodities	TEU**	Share
Soybeans	77,274	32%
Distiller's grains	49,702	21%
Corn	35,526	15%
Animal feed	32,344	14%
Soybean meal	24,890	10%
Other grain products	18,929	8%
Total	238,666	100%

Source: Port Import Export Reporting Service (PIERS)

*The calculations for containerized grain now include additional commodity categories to better represent distiller's grains exports. See Figures 18 and 19 inside for more detail.

** TEU: Twenty-foot equivalent units

configurations allow the buyers to receive less grain per shipment, reducing the need for and cost of storage at the destination market.

Long Term Commodity Demand Outlook

Chinese demand for soybeans continues to rise. Oil World news analysts estimate that in 2011, China will account for 57 percent of the world soybean imports. China also recently surpassed Mexico as the top destination market for U.S. distiller's grains exports. Vietnam is one of the rapidly growing developing countries in Asia with rising demand for feed grain inputs and protein products. India is the largest importer of edible oils; it is only able to produce half of the amount used domestically. Though the country is mostly vegetarian, non-vegetarian lifestyles are on the rise, particularly among the younger population, increasing its demand for feed grains for broilers and layers. In addition, the demand for soybeans in Europe has increased because of EU regulations for the use of biodiesel.

Demand drivers for long-term growth in U.S. agricultural exports include world population growth (more than 9 billion people by 2050), rapid urbanization that supports better jobs and higher incomes in developing countries, and increasing per capita GDP, which will increase the demand for transportation services. Even during the recession, the global middle class continued to grow. The U.S. economy is recovering, but not as fast as the Asian economies, leaving room for U.S. exports to fill increasing demand for quality, high-valued agricultural products. The weaker U.S. dollar relative to most Asian currencies is making U.S. products more competitive in these growing markets. Each of these dynamics provides opportunities for U.S. agriculture to meet the world's demand for high quality food and feed products. However, the industry must have a reliable and consistent transportation system, particularly for containerized services, to meet these growing opportunities. (April.Taylor@ams.usda.gov)

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	
10/06/2010 ^P	1,458	1,769	489	2,746	736	7,198
9/29/2010 ^r	849	1,929	826	2,082	823	6,509
2010 YTD	15,971	58,280	34,209	126,249	20,981	255,690
2009 YTD	17,959	34,529	29,400	126,231	17,268	225,387
2010 YTD as % of 2009 YTD	89	169	116	100	122	113
Last 4 weeks as % of 2009 ²	259	171	125	56	176	108
Last 4 weeks as % of 4-year avg. ²	69	103	84	48	91	71
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 2009 and prior 4-year average.

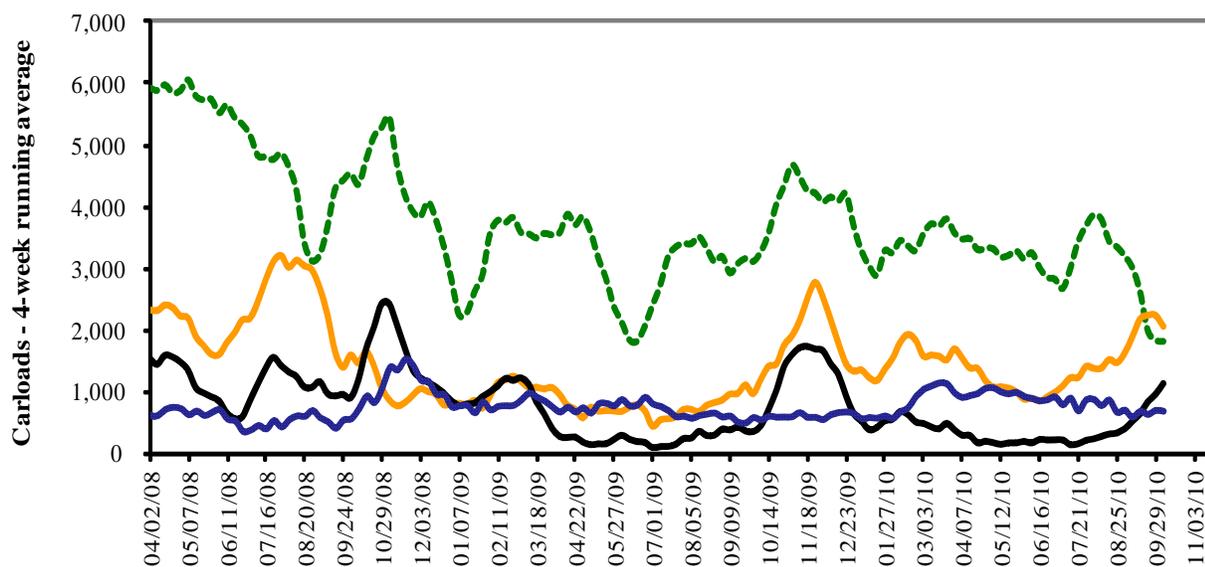
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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 10/06 -- down 44% from same period last year; down 52% from 4-year average
— Texas Gulf: 4 wks. ending 10/06 -- up 71% from same period last year; up 3% from 4-year average
— Miss. River: 4 wks. ending 10/06 -- up 159% from same period last year; down 31% from 4-year average
— Cross-border Mexico: 4 wks. ending 10/06 -- up 25% from same period last year; down 16% from 4-year average

Source: Transportation & Marketing Programs/AMSUSDA

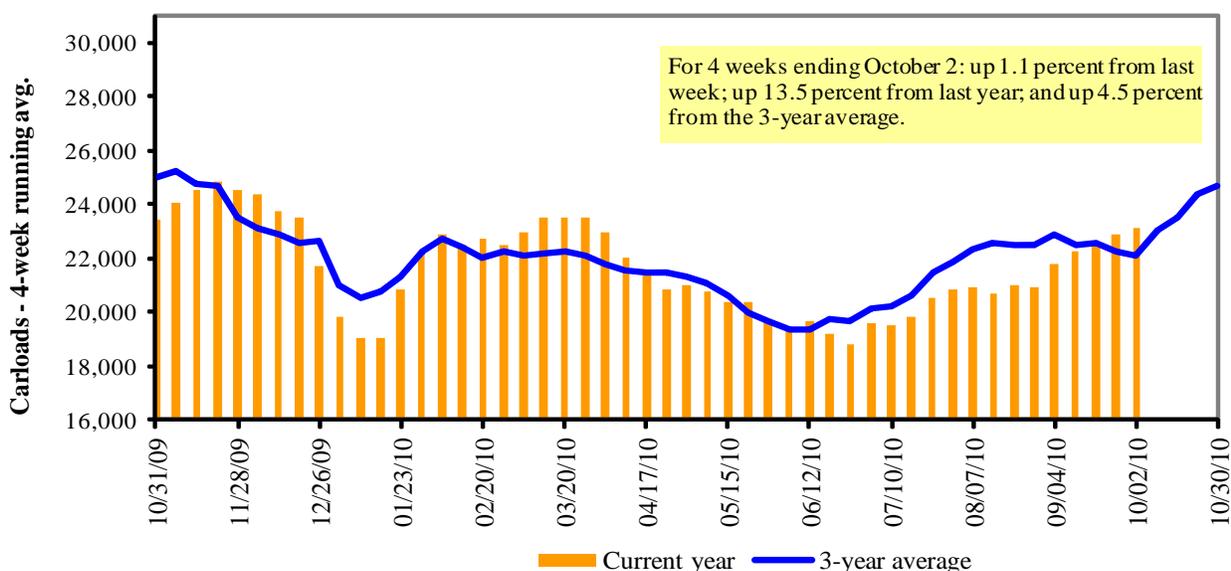
Table 4

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
10/02/10	2,188	3,403	10,905	948	7,525	24,969	4,129	5,302
This week last year	1,763	2,431	11,193	718	6,462	22,567	4,271	6,177
2010 YTD	81,148	116,708	398,871	26,909	213,468	837,104	149,764	201,087
2009 YTD	75,768	100,545	349,610	25,867	188,948	740,738	151,344	211,520
2010 YTD as % of 2009 YTD	107	116	114	104	113	113	99	95
Last 4 weeks as % of 2009 ¹	152	134	98	97	131	114	105	77
Last 4 weeks as % of 3-yr avg. ¹	118	115	96	94	113	105	86	81
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							
	Oct-10	Oct-09	Nov-10	Nov-09	Dec-10	Dec-09	Jan-11	Jan-10
10/9/2010								
BNSF ³								
COT grain units	no offer	no offer	no offer	13	no offer	1	no offer	0
COT grain single-car ⁵	no offer	no offer	no offer	no offer	no offer	1..21	no offer	no bids
UP ⁴								
GCAS/Region 1	no offer	no bids	no offer	no bids	1	no bids	n/a	no offer
GCAS/Region 2	no offer	no offer	no bids	no bids	no bids	no bids	n/a	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.

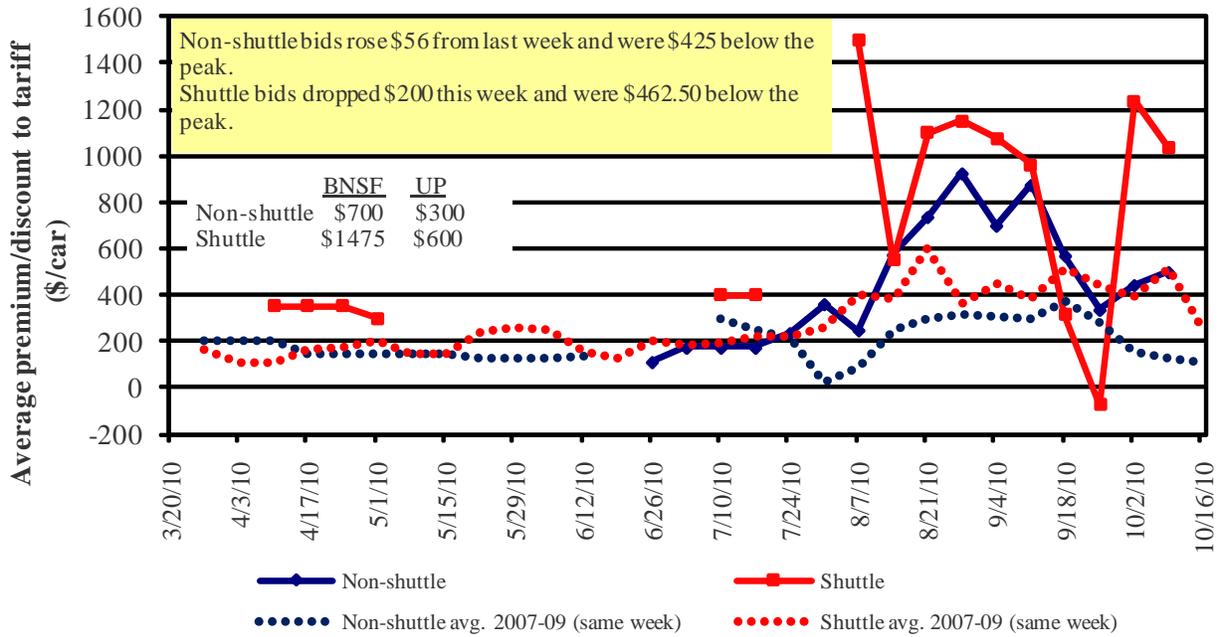
⁵Range is shown because average is not available. Not available = n/a.

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

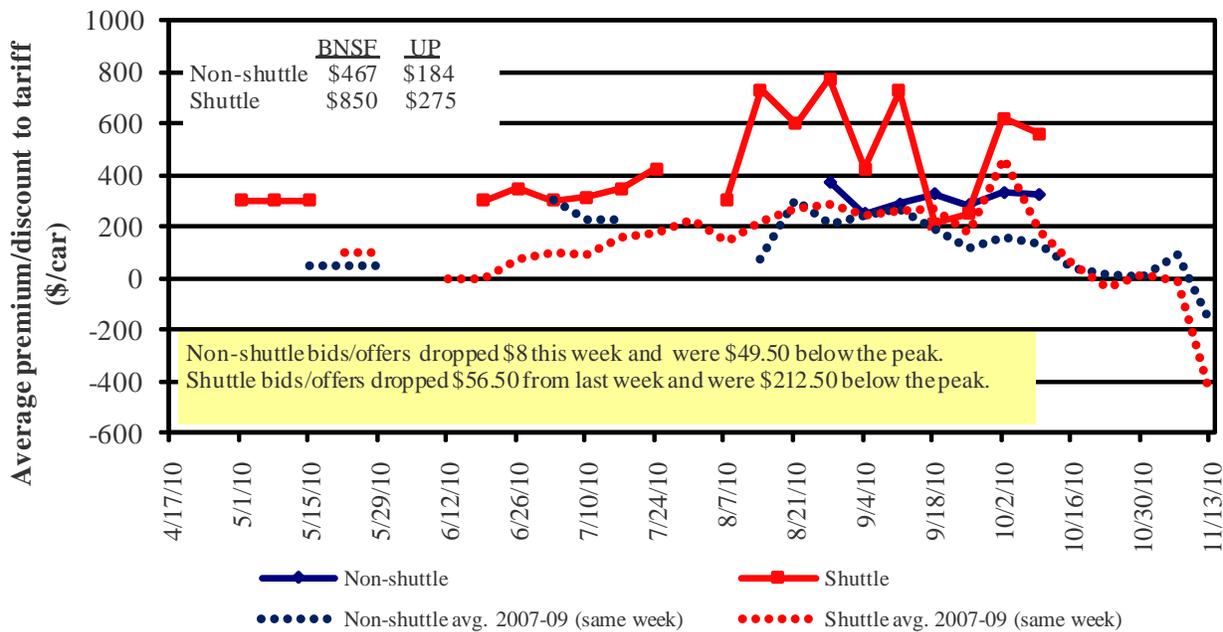
Bids/Offers for Railcars to be Delivered in October 2010, Secondary Market



Non-shuttle bids include unit-train and single-car bids. n/a = not available.
 Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

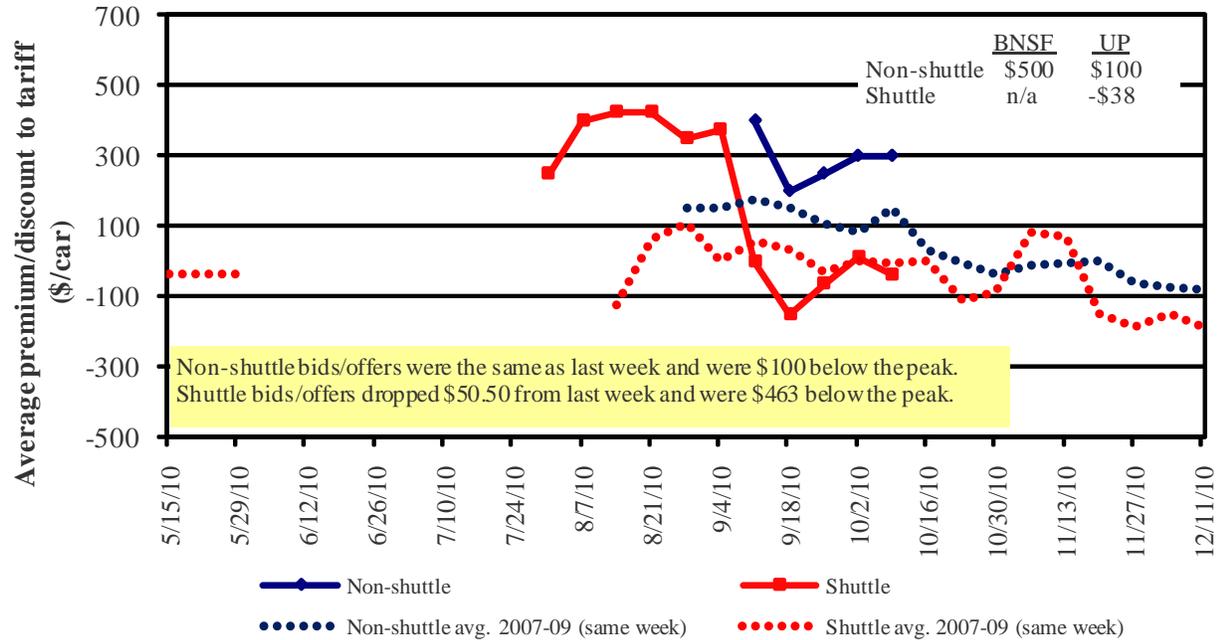
Bids/Offers for Railcars to be Delivered in November 2010, Secondary Market



Non-shuttle bids include unit-train and single-car bids. n/a = not available.
 Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in December 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					
	Oct-10	Nov-10	Dec-10	Jan-10	Feb-10	Mar-10
Non-shuttle						
BNSF-GF	700	467	500	n/a	n/a	n/a
Change from last week	12	-	-	n/a	n/a	n/a
Change from same week 2009	650	404	n/a	n/a	n/a	n/a
UP-Pool	300	184	100	n/a	n/a	n/a
Change from last week	100	(16)	-	n/a	n/a	n/a
Change from same week 2009	n/a	1	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	1,475	850	n/a	n/a	n/a	n/a
Change from last week	(425)	(150)	n/a	n/a	n/a	n/a
Change from same week 2009	950	425	n/a	n/a	n/a	n/a
UP-Pool	600	275	(38)	(100)	n/a	n/a
Change from last week	25	37	12	n/a	n/a	n/a
Change from same week 2009	-	(25)	(38)	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:						
10/4/2010	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:	
					metric ton	bushel ²
Unit train						
Wheat	Wichita, KS	St. Louis, MO	\$2,774	\$91	\$28.45	\$0.77
	Grand Forks, ND	Duluth-Superior, MN	\$2,563	\$128	\$26.72	\$0.73
	Wichita, KS	Los Angeles, CA	\$5,047	\$658	\$56.65	\$1.54
	Wichita, KS	New Orleans, LA	\$3,275	\$160	\$34.11	\$0.93
	Sioux Falls, SD	Galveston-Houston, TX	\$4,981	\$540	\$54.83	\$1.49
	Northwest KS	Galveston-Houston, TX	\$3,543	\$176	\$36.93	\$1.01
	Amarillo, TX	Los Angeles, CA	\$3,742	\$244	\$39.59	\$1.08
Corn	Champaign-Urbana, IL	New Orleans, LA	\$2,812	\$181	\$29.72	\$0.81
	Toledo, OH	Raleigh, NC	\$3,760	\$208	\$39.40	\$1.07
	Des Moines, IA	Davenport, IA	\$1,843	\$38	\$18.68	\$0.51
	Indianapolis, IN	Atlanta, GA	\$3,196	\$156	\$33.29	\$0.91
	Indianapolis, IN	Knoxville, TN	\$2,760	\$100	\$28.40	\$0.77
	Des Moines, IA	Little Rock, AR	\$2,938	\$113	\$30.29	\$0.82
	Des Moines, IA	Los Angeles, CA	\$4,372	\$328	\$46.67	\$1.27
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,316	\$164	\$34.56	\$0.94
	Toledo, OH	Huntsville, AL	\$2,921	\$148	\$30.47	\$0.83
	Indianapolis, IN	Raleigh, NC	\$3,830	\$209	\$40.11	\$1.09
	Indianapolis, IN	Huntsville, AL	\$2,613	\$100	\$26.94	\$0.73
	Champaign-Urbana, IL	New Orleans, LA	\$3,156	\$181	\$33.14	\$0.90
Shuttle Train						
Wheat	Great Falls, MT	Portland, OR	\$2,868	\$378	\$32.24	\$0.88
	Wichita, KS	Galveston-Houston, TX	\$2,867	\$295	\$31.40	\$0.85
	Chicago, IL	Albany, NY	\$3,497	\$195	\$36.66	\$1.00
	Grand Forks, ND	Portland, OR	\$4,131	\$654	\$47.51	\$1.29
	Grand Forks, ND	Galveston-Houston, TX	\$5,046	\$681	\$56.87	\$1.55
	Northwest KS	Portland, OR	\$4,510	\$288	\$47.64	\$1.30
Corn	Minneapolis, MN	Portland, OR	\$3,920	\$796	\$46.83	\$1.27
	Sioux Falls, SD	Tacoma, WA	\$3,920	\$729	\$46.17	\$1.26
	Champaign-Urbana, IL	New Orleans, LA	\$2,677	\$181	\$28.38	\$0.77
	Lincoln, NE	Galveston-Houston, TX	\$2,800	\$425	\$32.02	\$0.87
	Des Moines, IA	Amarillo, TX	\$3,330	\$142	\$34.48	\$0.94
	Minneapolis, MN	Tacoma, WA	\$3,920	\$789	\$46.77	\$1.27
Soybeans	Council Bluffs, IA	Stockton, CA	\$3,400	\$817	\$41.87	\$1.14
	Sioux Falls, SD	Tacoma, WA	\$4,320	\$729	\$50.14	\$1.36
	Minneapolis, MN	Portland, OR	\$4,270	\$796	\$50.31	\$1.37
	Fargo, ND	Tacoma, WA	\$4,270	\$648	\$48.84	\$1.33
	Council Bluffs, IA	New Orleans, LA	\$3,510	\$209	\$36.93	\$1.01
	Toledo, OH	Huntsville, AL	\$2,536	\$148	\$26.65	\$0.73
	Grand Island, NE	Portland, OR	\$4,420	\$295	\$46.82	\$1.27

¹A 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.

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

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

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

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

Table 8

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

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$6,705	\$750	\$76.18	\$2.07	12
	OK	Cuautitlan, EM	\$5,966	\$593	\$67.01	\$1.82	10
	KS	Guadalajara, JA	\$6,645	\$914	\$77.23	\$2.10	13
	TX	Salinas Victoria, NL	\$3,370	\$181	\$36.29	\$0.99	10
Corn	IA	Guadalajara, JA	\$7,050	\$859	\$80.81	\$2.20	12
	SD	Penjamo, GJ	\$6,520	\$965	\$76.48	\$2.08	3
	NE	Queretaro, QA	\$6,240	\$540	\$69.28	\$1.88	3
	SD	Salinas Victoria, NL	\$4,785	\$688	\$55.92	\$1.52	7
	MO	Tlalnepantla, EM	\$5,428	\$526	\$60.84	\$1.65	3
	SD	Torreón, CU	\$5,610	\$796	\$65.45	\$1.78	7
Soybeans	MO	Bojay (Tula), HG	\$6,103	\$745	\$69.97	\$1.90	4
	NE	Guadalajara, JA	\$6,700	\$824	\$76.88	\$2.09	7
	IA	Penjamo (Celaya), GJ	\$6,690	\$973	\$78.30	\$2.13	4
	KS	Torreón, CU	\$5,405	\$554	\$60.89	\$1.66	6
Sorghum	OK	Cuautitlan, EM	\$4,729	\$687	\$55.34	\$1.50	11
	TX	Guadalajara, JA	\$5,670	\$812	\$66.23	\$1.80	12
	NE	Penjamo, GJ	\$6,243	\$755	\$71.50	\$1.94	0
	KS	Queretaro, QA	\$5,591	\$414	\$61.36	\$1.67	4
	NE	Salinas Victoria, NL	\$4,410	\$428	\$49.43	\$1.34	3
	NE	Torreón, CU	\$5,400	\$584	\$61.15	\$1.66	5

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

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

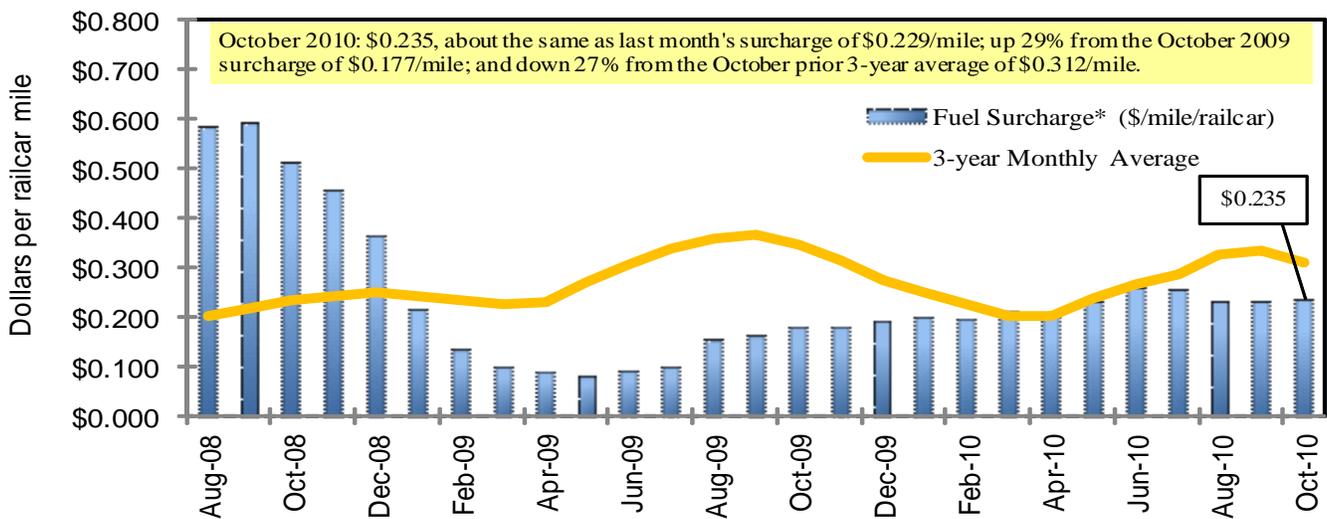
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹



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

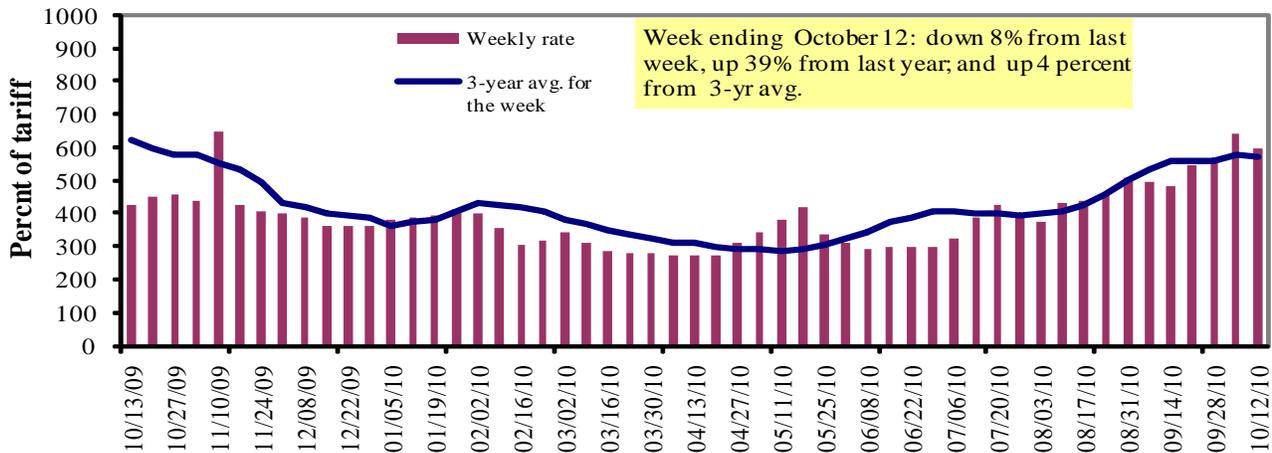
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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

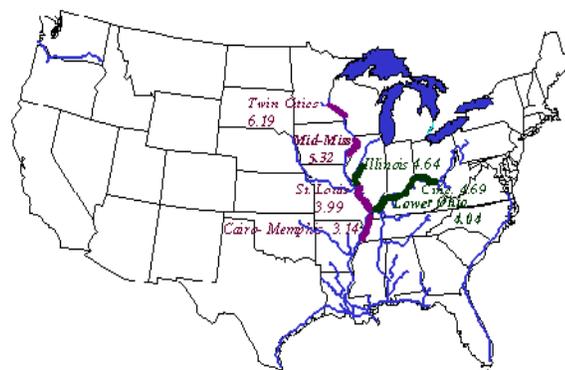
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	10/12/2010	719	700	594	538	700	700	500
	10/5/2010	656	626	644	539	650	650	514
\$/ton	10/12/2010	44.51	37.24	27.56	21.47	32.83	28.28	15.70
	10/5/2010	40.61	33.30	29.88	21.51	30.49	26.26	16.14
Current week % change from the same week:								
	Last year	65	66	39	49	58	58	48
	3-year avg. ²	32	25	4	-1	12	12	-11
Rate¹	November	591	446	421	374	449	449	353
	January	-	-	411	303	368	368	288

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



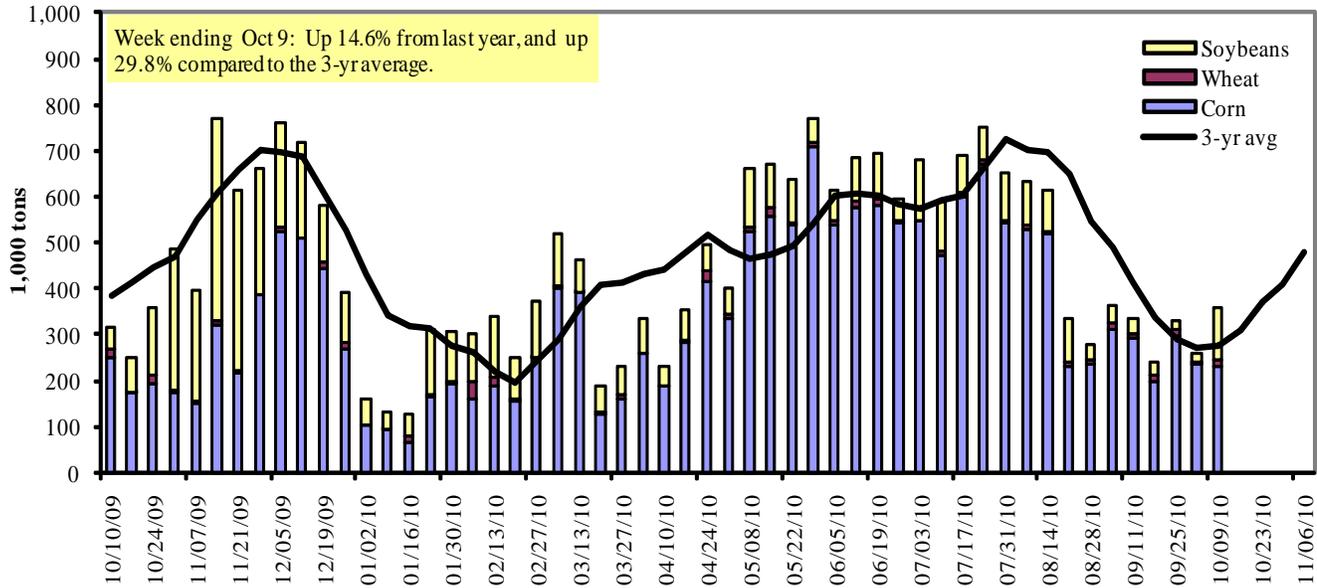
Calculating barge rate per ton:

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

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

Figure 10

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



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

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 10/9/2010	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	76	3	124	0	203
Winfield, MO (L25)	139	22	98	12	271
Alton, IL (L26)	262	15	124	5	406
Granite City, IL (L27)	232	15	114	5	365
Illinois River (L8)	75	0	59	5	139
Ohio River (L52)	70	0	106	0	176
Arkansas River (L1)	0	13	44	7	64
Weekly total - 2010	302	27	264	12	604
Weekly total - 2009	322	50	107	18	496
2010 YTD ¹	18,458	1,041	5,928	370	25,796
2009 YTD	18,924	1,288	6,237	329	26,779
2010 as % of 2009 YTD	98	81	95	112	96
Last 4 weeks as % of 2009 ²	143	57	308	85	151
Total 2009	23,424	1,501	10,465	430	35,819

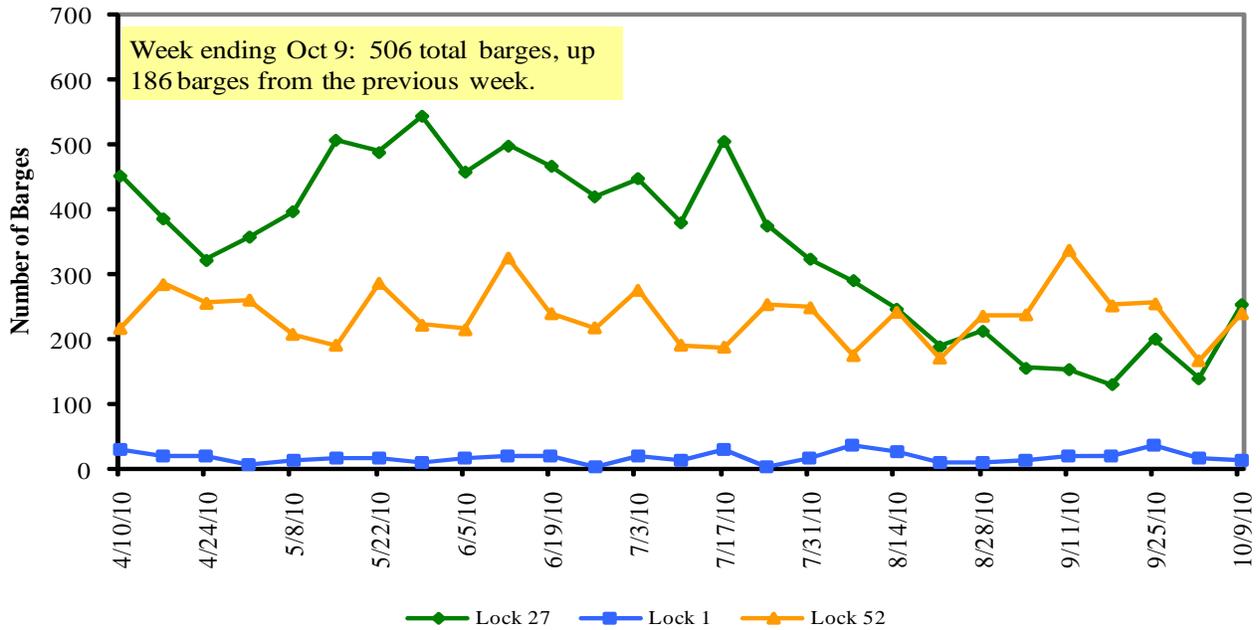
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

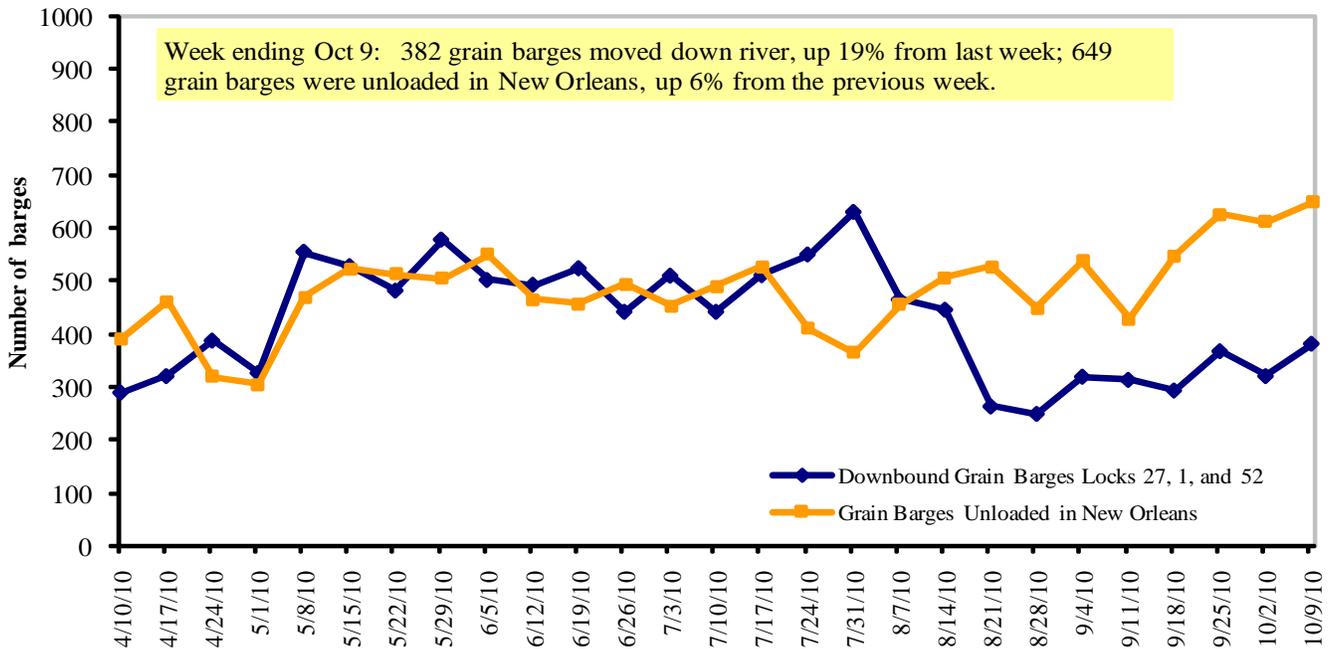
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webprts/default.asp)

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



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 10/11/2010 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.065	0.068	0.455
	New England	3.118	0.078	0.428
	Central Atlantic	3.178	0.083	0.455
	Lower Atlantic	3.011	0.059	0.457
II	Midwest ²	3.055	0.065	0.474
III	Gulf Coast ³	2.982	0.062	0.452
IV	Rocky Mountain	3.085	0.061	0.435
V	West Coast	3.239	0.074	0.507
	California	3.215	0.036	0.424
Total	U.S.	3.066	0.066	0.466

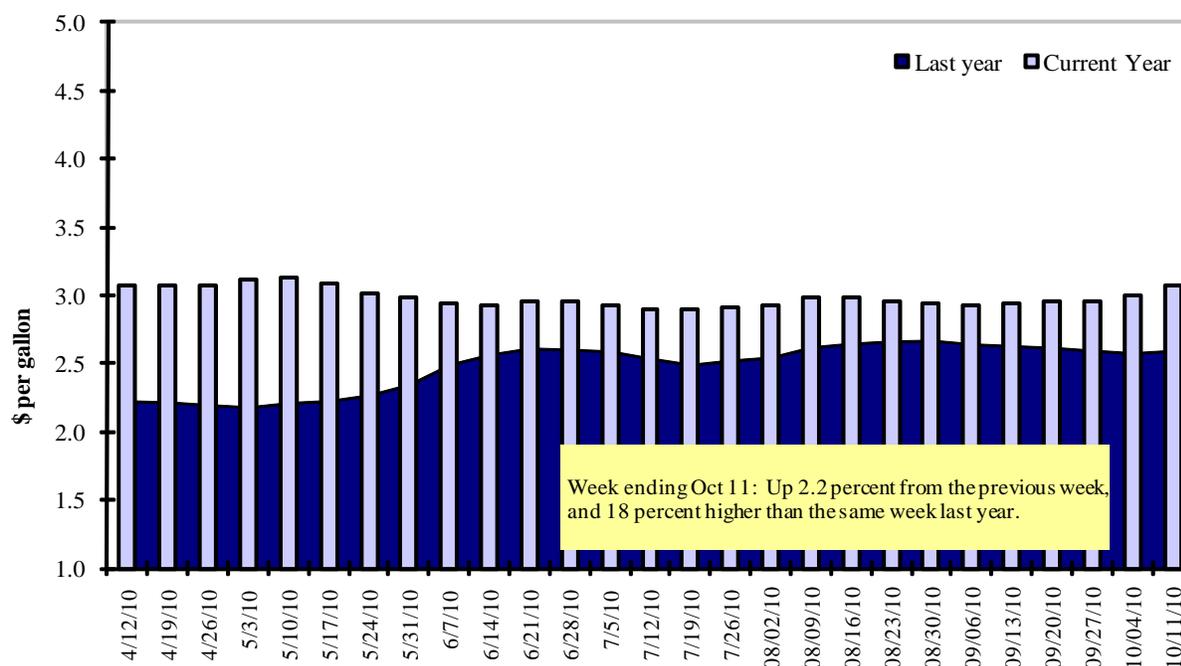
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

Week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
9/30/2010	3,600	560	2,245	1,228	213	7,846	13,770	20,449	42,065
This week year ago	1,205	643	997	871	397	4,113	11,206	19,528	34,847
Cumulative exports-marketing year²									
2010/11 YTD	4,788	676	2,572	1,657	373	10,066	4,297	1,776	16,139
2009/10 YTD	2,772	1,205	1,706	1,427	297	7,408	4,847	1,091	13,346
YTD 2010/11 as % of 2009/10	173	56	151	116	126	136	89	163	121
Last 4 wks as % of same period 2008/09	302	92	220	147	68	194	126	100	119
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385
2008/09 Total	11,244	5,100	5,408	3,420	454	25,626	44,650	33,705	103,981

¹ Current unshipped export sales to date

² Shipped export sales to date; the new marketing year 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 09/30/10	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan ⁴	5,324	3,820	39	15,910
Mexico	2,488	2,813	(12)	7,454
Korea ⁵	1,367	2,306	(41)	5,129
Taiwan	706	896	(21)	3,198
Egypt	1,205	609	98	2,233
Top 5 importers	11,090	10,444	6	33,924
Total US corn export sales	18,067	16,052	13	47,180
% of Projected	36%	32%		
Change from Last Week	607	522		
Top 5 importers' share of U.S. corn export sales	61%	65%		
USDA forecast, October 2010	50,800	50,470	1	
Corn Use for Ethanol USDA forecast, Ethanol October 2010	119,380	115,824	3	

(n) indicates negative number.

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

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

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

⁴Not included - FAS Press Release: 116,000 mt on 10/05 to Japan for 2010/11.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week ending 09/30/10	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
China ⁴	9,118	12,505	(27)	18,681
Mexico	929	650	43	3,098
Japan	728	928	(22)	2,410
EU-25	204	364	(44)	2,180
Taiwan	490	393	25	1,592
Top 5 importers	11,470	14,840	(23)	27,961
Total US soybean export sales	22,224	20,618	8	34,930
% of Projected	54%	51%		
Change from last week	948	451		
Top 5 importers' share of U.S. soybean export sales	52%	72%		
USDA forecast, October 2010	41,370	40,770	1	
Soybean Use for Biodiesel USDA forecast, October 2010	6,954	4,076	71	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - A²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.⁴Not included - FAS Press Release: 225,000 mt on 10/6 to China for 2010/11.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 09/30/2010	Total Commitments ²		% change current MY from last MY	Exports ³ 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
Nigeria	1,693	1,697	(0.3)	3,233
Japan	1,687	1,382	22	3,148
Mexico	1,411	961	47	1,975
Philippines	1,353	926	46	1,518
Korea, South	1,008	611	65	1,111
Taiwan	396	430	(8)	844
Venezuela	252	260	(3)	658
Colombia	390	353	10	575
Peru	581	321	81	567
Egypt	1,621	421	285	529
Top 10 importers	10,392	7,363	41	14,156
Total US wheat export sales	17,911	11,521	55	23,980
% of Projected	53%	48%		
Change from last week	808	767		
Top 10 importers' share of U.S. wheat export sales	58%	64%		
USDA forecast, October 2010	34,020	23,980	42	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.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 10/07/10	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	229	8,788	7,885	111	101	107	10,091
Corn	0	8,337	7,104	117	54	60	8,498
Soybeans	235	5,341	4,910	109	94	66	9,743
Total	463	22,466	19,899	113	86	86	28,332
Mississippi Gulf							
Wheat	77	3,089	3,217	96	95	49	4,019
Corn	684	23,619	23,774	99	120	101	28,843
Soybeans	502	12,326	12,831	96	253	230	21,831
Total	1,263	39,034	39,823	98	146	118	54,693
Texas Gulf							
Wheat	181	6,935	4,456	156	144	108	5,735
Corn	31	1,401	1,517	92	71	80	1,968
Soybeans	70	742	530	140	125	313	2,402
Total	282	9,078	6,503	140	129	108	10,105
Great Lakes							
Wheat	89	1,315	621	212	198	121	990
Corn	0	53	279	19	0	0	353
Soybeans	168	168	115	0	371	179	781
Total	257	1,536	1,014	151	185	120	2,124
Atlantic							
Wheat	0	246	544	45	80	60	552
Corn	11	334	263	127	45	63	472
Soybeans	1	728	489	149	57	148	1,268
Total	12	1,308	1,296	101	57	65	2,292
U.S. total from ports²							
Wheat	575	20,373	16,724	122	120	96	21,387
Corn	727	33,744	32,937	102	98	91	40,134
Soybeans	976	19,305	18,875	102	204	173	36,025
Total	2,278	73,421	68,535	107	124	107	97,546

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

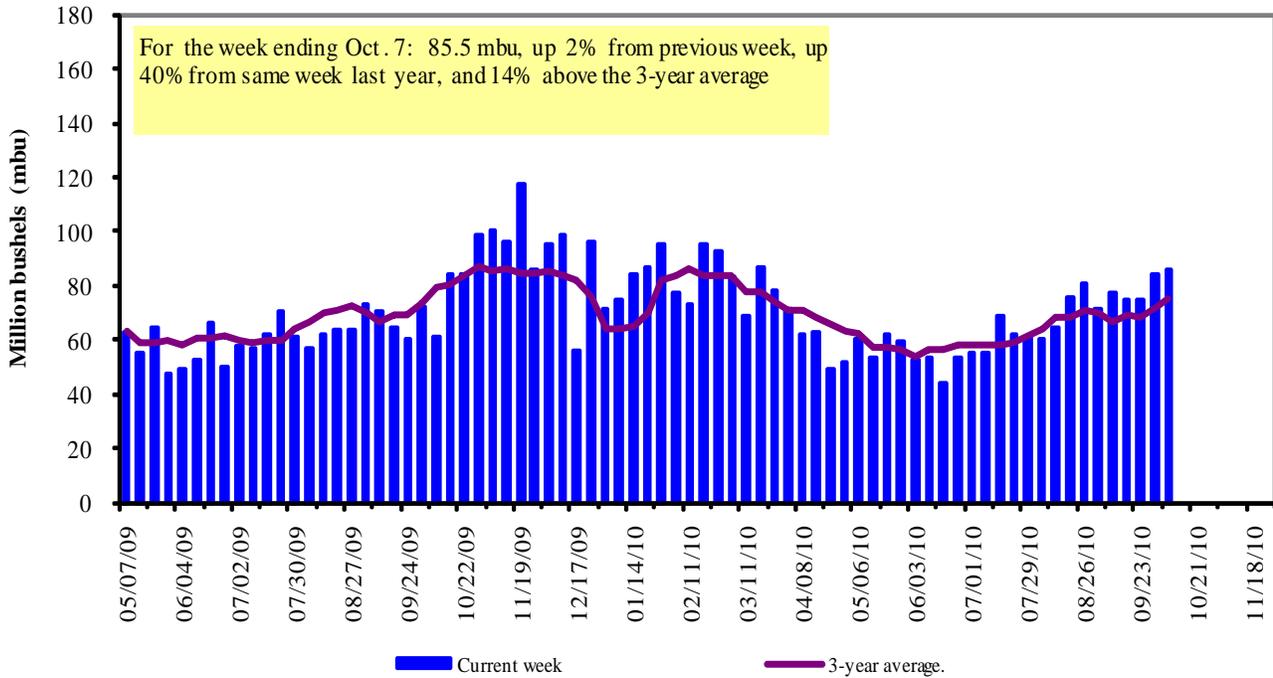
² Total includes only port regions shown above

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)

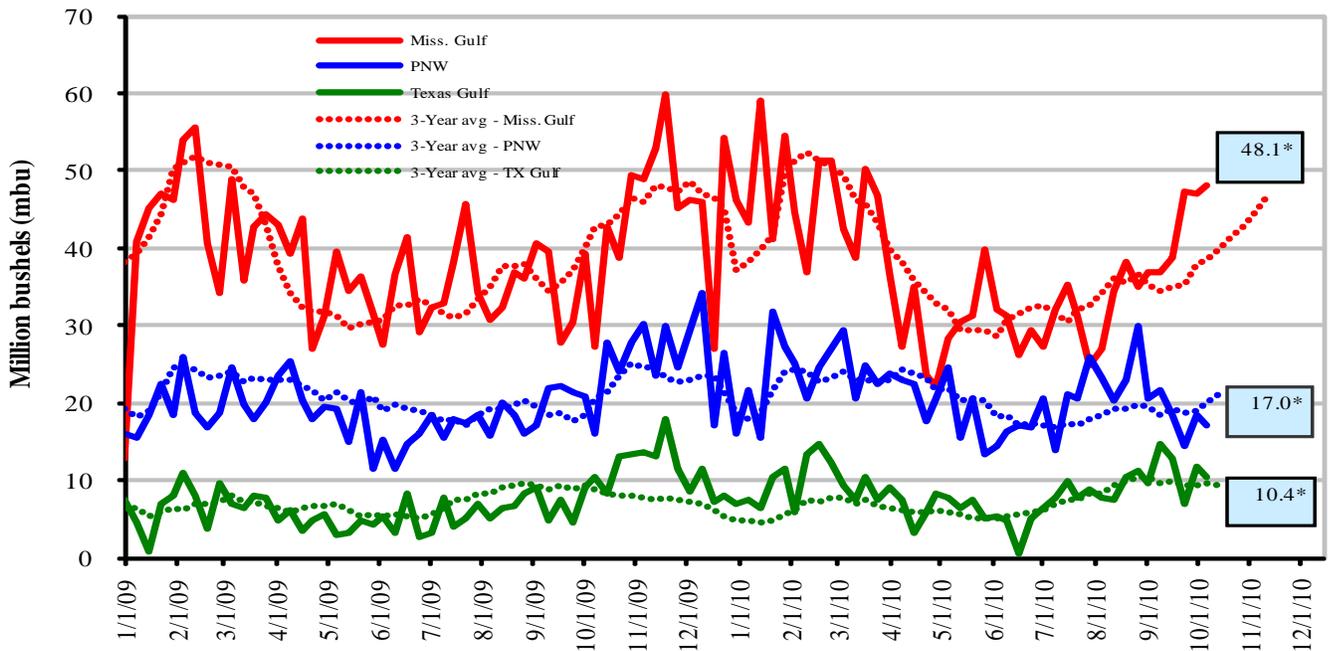


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

<u>Oct 7, % change from:</u>	<u>MS Gulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	up 2	down 12	down 0.7	down 9
Last year (same week)	up 77	up 1.3	up 56	up 6
3-yr avg. (4-wk mov. avg.)	up 25	up 9	up 22	down 21

Ocean Transportation

Table 17

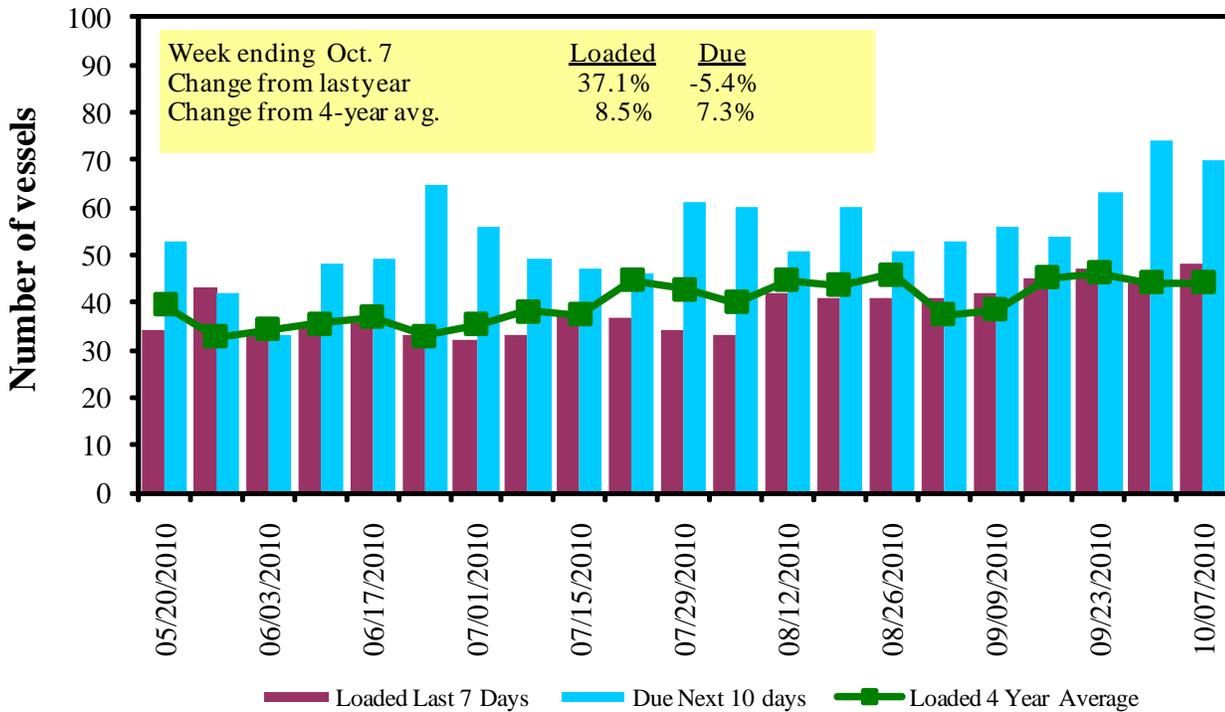
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
10/7/2010	37	48	70	5	15
9/30/2010	49	44	74	11	n/a
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

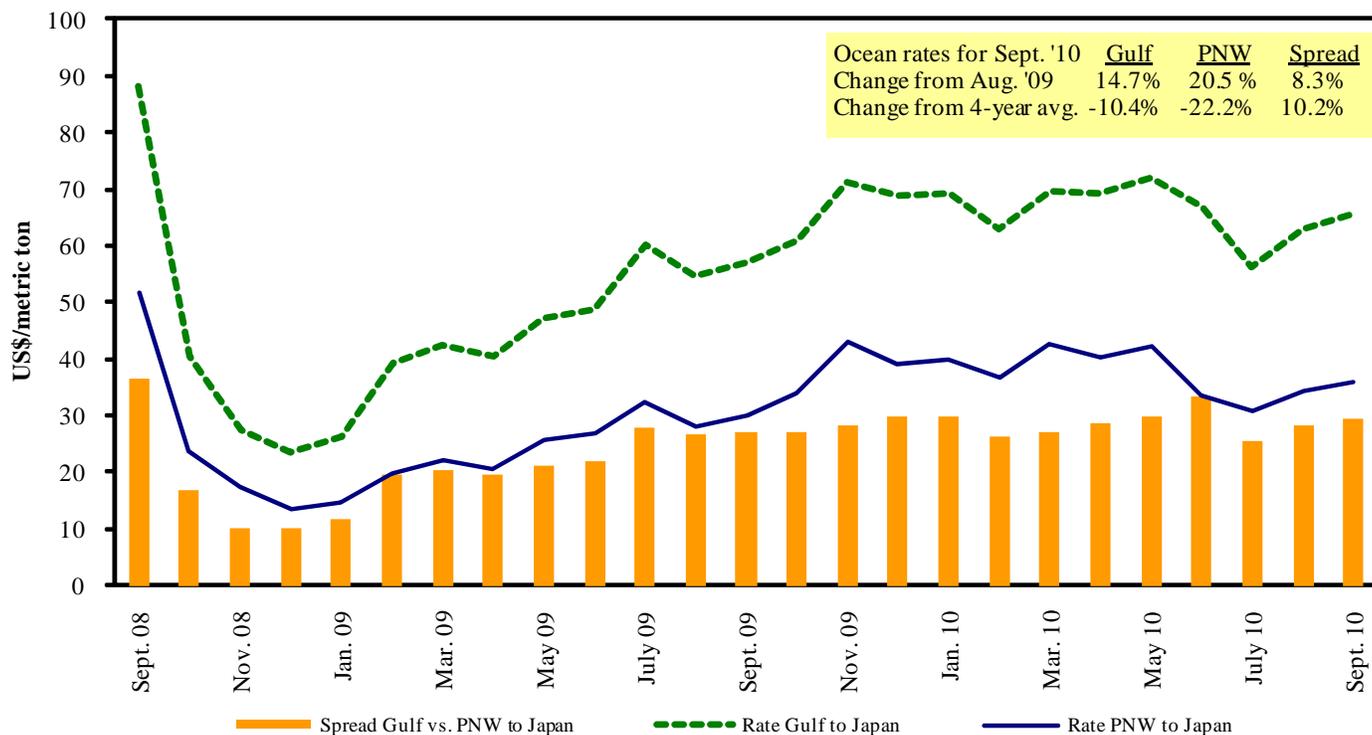


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

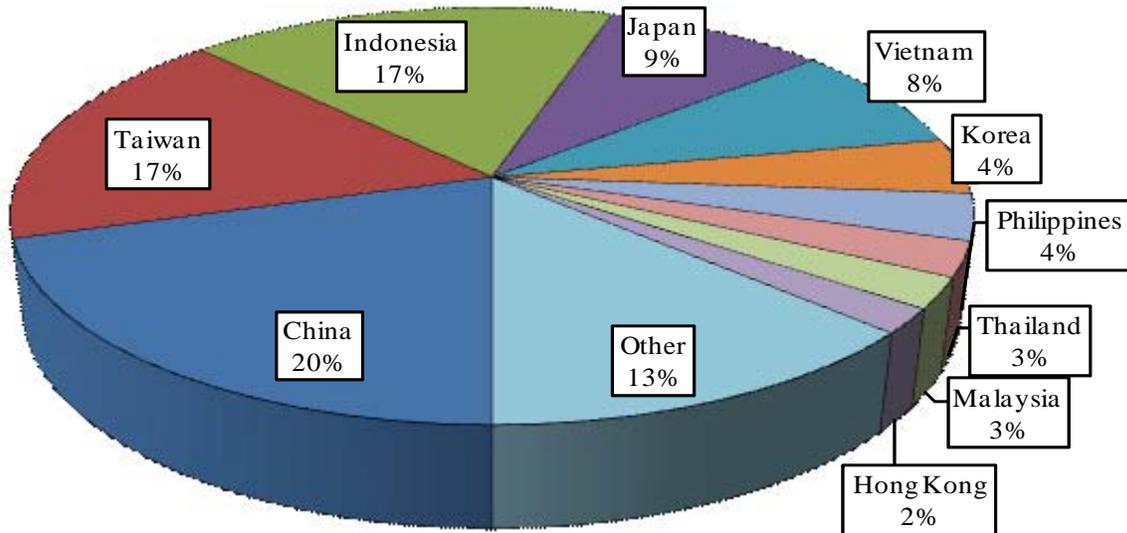
Ocean Freight Rates For Selected Shipments, Week Ending 10/09/2010

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Oct 14/23	55,000	61.50
U.S. Gulf	China	Heavy Grain	Oct 15/25	55,000	62.00
U.S. Gulf	China	Heavy Grain	Oct 15/25	55,000	58.75
U.S. Gulf	China	Heavy Grain	Oct 1/10	54,000	64.00
U.S. Gulf	N. China	Heavy Grain	Oct 1/10	55,000	63.50
U.S. Gulf	N. China	Heavy Grain	Oct 1/25	55,000	63.50
U.S. Gulf	Egypt Med	Heavy Grain	Sep 5/10	55,000	42.00
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. PNW	Bangladesh ¹	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	Morocco	Heavy Grain	Oct 3/5	26,000	36.75
Brazil	Spain	Corn	Aug 10/15	25,000	31.50
France	Algeria	Wheat	Jun 25/30	25,000	29.00
France	Algeria	Wheat	Jul 5/10	25,000	25.50

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, July 2010

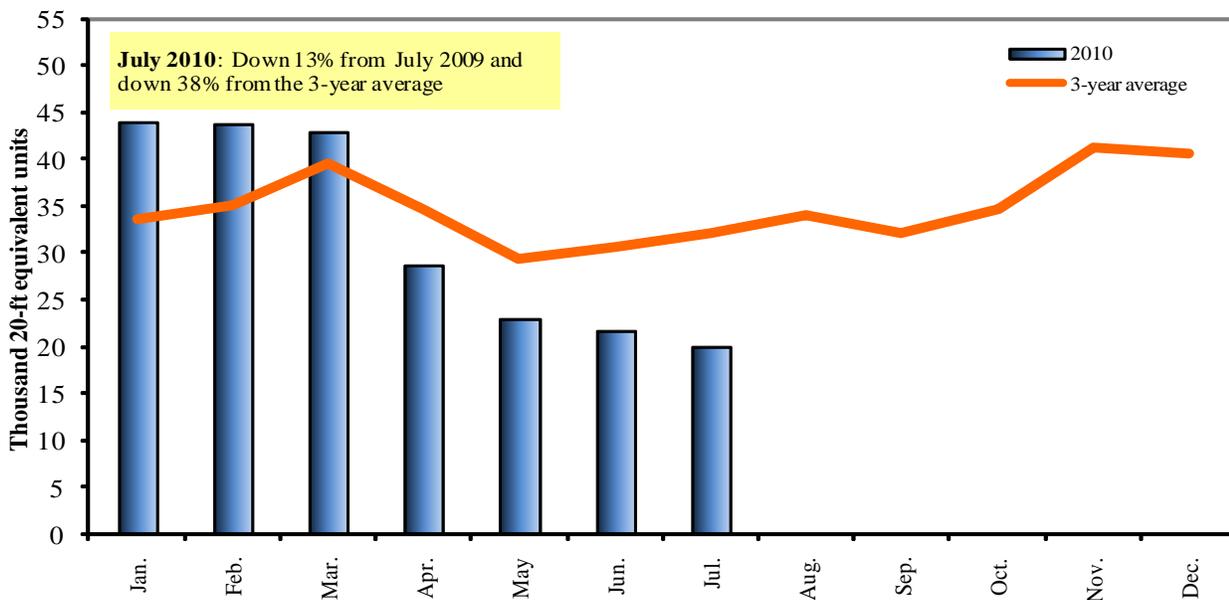


Source: Port Import Export Reporting Service (PIERS)

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

Figure 19

Monthly Shipments of Containerized Grain to Asia



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

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

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