



Dec 9, 2010

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WEEKLY HIGHLIGHTS

[Army Corps Releases Draft Environmental Study for Savannah River Deepening Project](#)

The Army Corps of Engineers completed a draft environmental impact statement for the deepening of the Savannah River from 42 to 48 feet. This project will allow the Port of Savannah to receive the larger, mostly containerized, vessels that are expected once the Panama Canal expansion is complete. The deepening project is part of the larger Savannah Harbor Expansion Project; the Port is also incorporating efficiencies in terminal handling of containerized cargo. The final report from the Corps is expected by early next year after it receives and incorporates public and agency comments.

[FMCSA Unsafe Driving Assessments May Become Public](#)

The Federal Motor Carrier Safety Administration's [Comprehensive Safety Analysis 2010](#) assessments of unsafe driving, fatigued driving (hours of service violations), driver fitness, controlled substance/alcohol testing, and vehicle maintenance may become public on or after December 12. Cargo-related assessments and crash risk indicators will remain private, available only to trucking companies and enforcement personnel. The public assessments, based on roadside inspections, crashes, and investigation findings, will be of interest to shippers, brokers, logistics companies, intermodal equipment providers, insurers, and the legal community. On November 29, the National Association of Small Trucking Companies et al. filed a [motion for emergency stay](#) of the public release of the assessments until FMCSA has conducted a full notice-and-comment rulemaking in accordance with the Administrative Procedure Act, citing concerns with grades, classifications, sample sizes, methodology, and procedures to ensure that alleged violations are reported accurately. According to the petitioners "Implementation of CSA 2010 in its current form threatens the survival of thousands of carriers, many of which are small companies in rural America."

[United States-South Korea Trade Agreement Expected to Increase Agricultural Exports](#)

Trade officials from the United States and South Korea announced a trade agreement on December 3, but the agreement still must be ratified by the Senate and the South Korean National Assembly. U.S. officials predict an increase of \$1.8 billion in U.S. agricultural exports to South Korea. Its implementation would result in nearly two thirds of U.S. farm product exports to South Korea becoming duty-free immediately, including wheat, corn, soybeans, corn gluten feed and meal, whey, cotton, hides and skins, and a broad range of high-value U.S. agricultural products. A zero tariff rate would be implemented for all U.S. pork products by 2016. Korea ruled out scrapping its 30-month age limit on U.S. beef imports that was instituted in 2003 when the United States discovered its first case of mad cow disease. If the agreement materializes, there could be increased shipments of the U.S. grains to South Korea

[Pacific Northwest Corn Inspections Rebound](#)

For the week ending December 2, preliminary inspections of grain (corn, wheat, and soybeans) from all major U.S. export regions reached 1.95 million metric tons (mmt), down 31 percent from the previous week and 23 percent below last year. Despite the large drop in overall grain inspections, Pacific Northwest grain inspections rose, boosted by a 355 percent jump in corn inspections destined to Taiwan and Korea. The large drop in total grain inspections was caused by a 47 percent decrease in soybean inspections (.865 mmt). During the previous week (November 25) inspections of soybeans destined primarily to China rose to 1.62 mmt due to large revisions. Total inspections of wheat and corn dropped 11 percent from the previous week.

Snapshots by Sector

Rail

U.S. railroads originated 20,059 **carloads of grain** during the holiday week ending November 27, down 22 percent from last week, 10 percent from last year, and 13 percent lower than the 3-year average.

During the week ending December 4, average December non-shuttle **secondary railcar bids/offers** were \$56.50 below tariff, down \$8.50 from last week. Average shuttle rates were \$319 below tariff, up \$172.50 from last week.

Ocean

During the week ending December 2, 48 **ocean-going grain vessels** were loaded in the Gulf, down 6 percent from last year. Seventy vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up 13 percent from last year.

During the week ending December 3, the cost of shipping grain from the Gulf to Japan averaged \$53 per mt, unchanged from the previous week. The rate from the Pacific Northwest to Japan was \$29 per mt, down 5 percent from the previous week.

Barge

During the week ending December 4, **barge grain movements** totaled 1,114,682 tons, 37 percent higher than the previous week and 11 percent higher than the same period last year.

Fuel

During the week ending December 6, U.S. average **diesel fuel prices** increased 4 cents per gallon to \$3.20, 1 percent higher than the previous week and 15 percent higher than the same week last year.

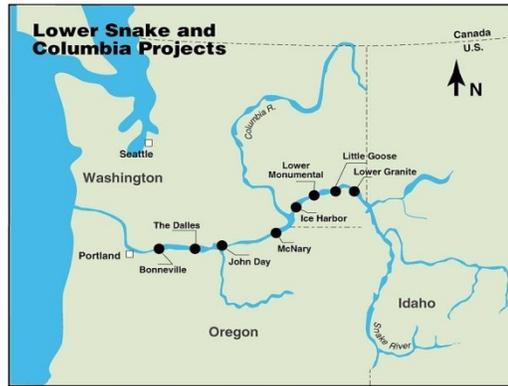
Feature Article/Calendar

Lock Closures on the Columbia and Snake Rivers May Affect Agricultural Shippers

On December 10, the U.S. Army Corps of Engineers (Corps) will close for extensive repairs several locks on the Columbia-Snake River System, including The Dalles and John Day Locks on the Columbia River and the Lower Monumental Lock on the Snake River. During this time of strong wheat export demand due to the Russian wheat export ban, a temporary closure of these rivers may push more grain to truck and rail. Although grain shippers have been preparing for the closure, strong demand for wheat this year could still pose some logistical challenges.

The Corps expects the repairs to take up to 14 weeks and be completed by mid-March. During the repairs, all barge traffic on the river system will stop. Other locks will also be closed during the 14-week period, but for lesser amount of time (two to eight weeks). Historically during winter, the Corps routinely closes some of the locks for brief periods for maintenance. It is conducting this planned outage in order to avoid a failure of the lock and dam system that could close navigation on the Columbia River for a year or more. The map shows the eight locks and dams on the 465-mile inland waterway system that connects Lewiston, ID, with the Pacific Ocean.

From 1998 to 2007, about 29 percent of all the freight traffic on the Columbia River and 60 percent on the Snake River consisted of farm and food products. The predominant commodity is wheat, making up nearly two thirds of the farm and food traffic on the Columbia River and more than 90 percent on the Snake River. Year to date, 41 percent of wheat exports have moved through the Pacific Northwest ports, more than any other U.S. port region (see GTR [Table 16](#)).



Source: U.S. Army Corps of Engineers.

Soft white wheat is the predominant type of wheat grown in the Pacific Northwest (PNW) States and is usually barged to Portland for export. Other classes of wheat are usually railed to PNW ports. During the lock closures, soft white wheat shippers who have not already moved the grain to port this year are likely to rely more heavily on rail or truck transportation than in previous years.

Options include trucking or railing to the river below the affected locks and then loading onto barges for final shipment to the port of Portland. Other options would be to ship directly to the ports in Portland or the Puget Sound or wait until the river is open again.

During this closure, the Port of Portland is offering incentives for container shipments directly to its facility instead of shipping to the Puget Sound Ports of Seattle or Tacoma.

The 2-year average December-to-March export inspections on the Columbia River totaled 1.1 million metric tons (see table) of white wheat. However, this year's strong wheat exports and high unshipped balances could push the volume to be shipped higher. Unshipped export balances of soft white wheat were 1.3 million metric tons for the week ending November 25, compared to .7 million—or almost double—that of this time last year (see GTR [Table 12](#)).

COLUMBIA RIVER SOFT WHITE WHEAT EXPORT INSPECTIONS

	2008-09	2009-10	Average
	1,000 metric tons		
December	336	227	282
January	260	237	249
February	279	349	314
March	301	215	258
4-month total	1,177	1,029	1,103

Source: USDA/GIPSA

Since the closure has been planned for over a year, the Corps expects minimal impact to grain shippers. Various industry groups have indicated that white wheat shippers have made arrangements with foreign buyers to avoid any major disruptions during the lock closures. When the locks reopen, white wheat shippers will be able to use the newly renovated and more reliable waterway system. nick.marathon@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail ²	Barge	Ocean	
				Gulf	Pacific
12/08/10	215	76	311	237	206
12/01/10	212	47	259	237	216

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

²The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.
Source: Transportation & Marketing Programs/AMS/USDA

Table 2
Market Update: U.S. Origins to Export Position Price Spreads (\$/bushel)

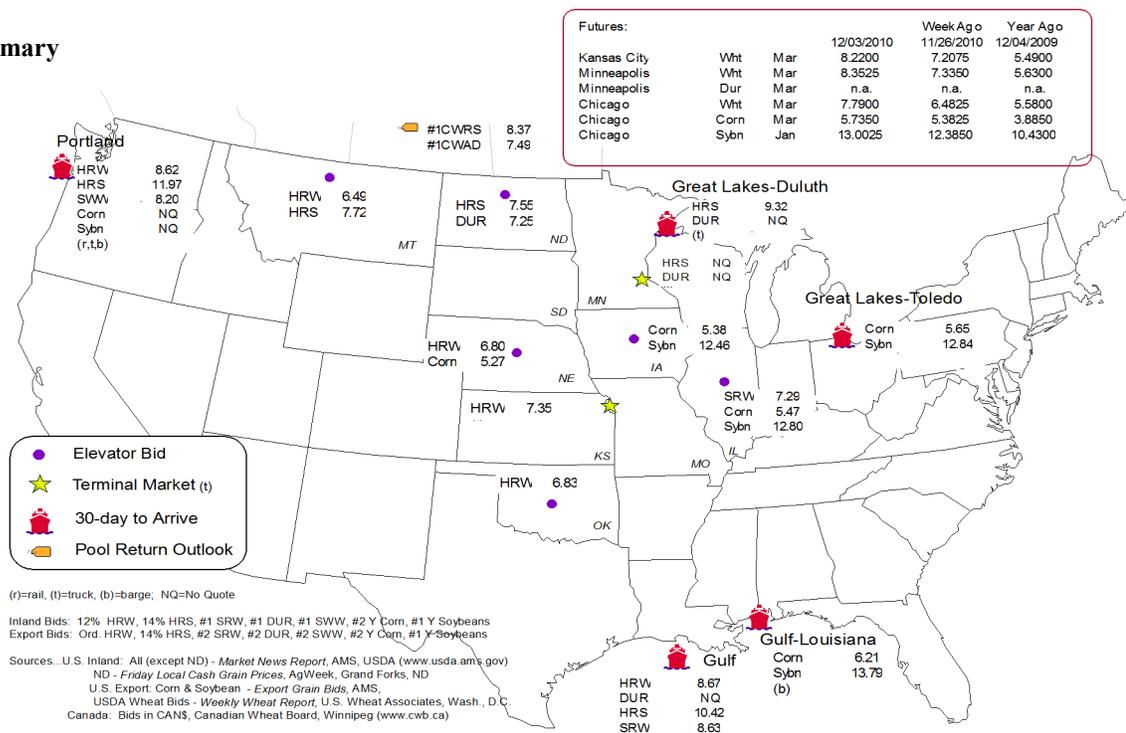
Commodity	Origin--Destination	12/3/2010	11/26/2010
Corn	IL--Gulf	-0.74	-0.69
Corn	NE--Gulf	-0.94	-0.91
Soybean	IA--Gulf	-1.33	-1.35
HRW	KS--Gulf	-1.32	n/a
HRS	ND--Portland	-4.42	n/a

Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
12/01/2010 ^P	1,316	1,808	629	3,663	873	8,289
11/24/2010 ^r	1,123	2,421	1,104	3,196	1,393	9,237
2010 YTD	28,959	76,188	40,194	162,163	29,894	337,398
2009 YTD	30,905	52,317	34,099	161,246	25,814	304,381
2010 YTD as % of 2009 YTD	94	146	118	101	116	111
Last 4 weeks as % of 2009 ²	89	92	136	100	98	98
Last 4 weeks as % of 4-year avg. ²	86	112	100	96	115	100
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.

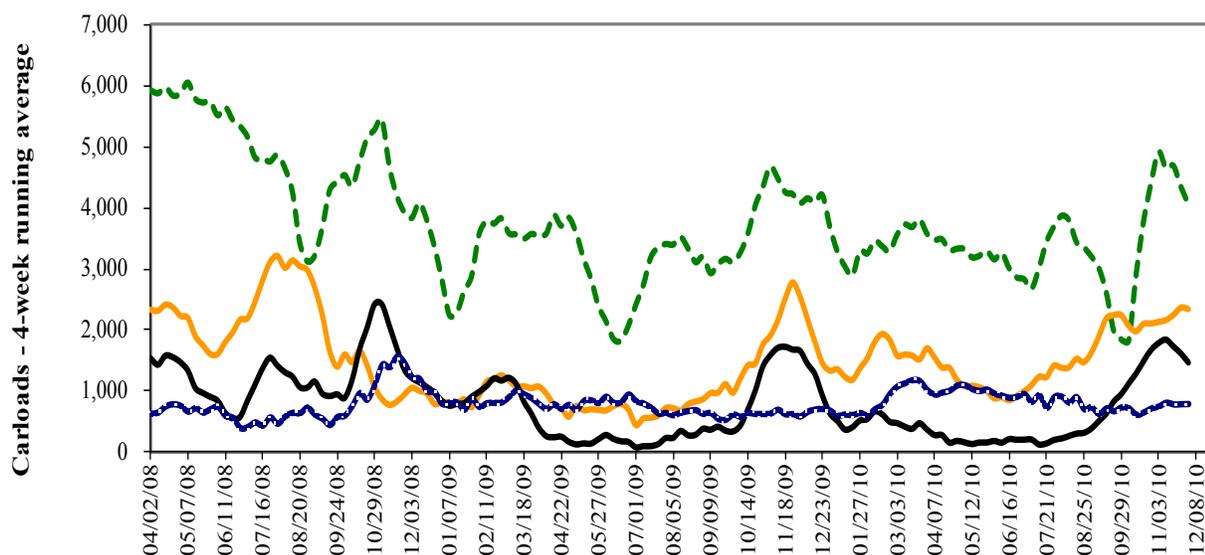
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 35 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



- - - Pacific Northwest: 4 wks. ending 12/01 -- unchanged from same period last year; down 4% from 4-year average
— Texas Gulf: 4 wks. ending 12/01 -- down 8% from same period last year; up 12% from 4-year average
— Miss. River: 4 wks. ending 12/01 -- down 11% from same period last year; down 14% from 4-year average
- - - Cross-border Mexico: 4 wks. ending 12/01 -- up 36% from same period last year; unchanged from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

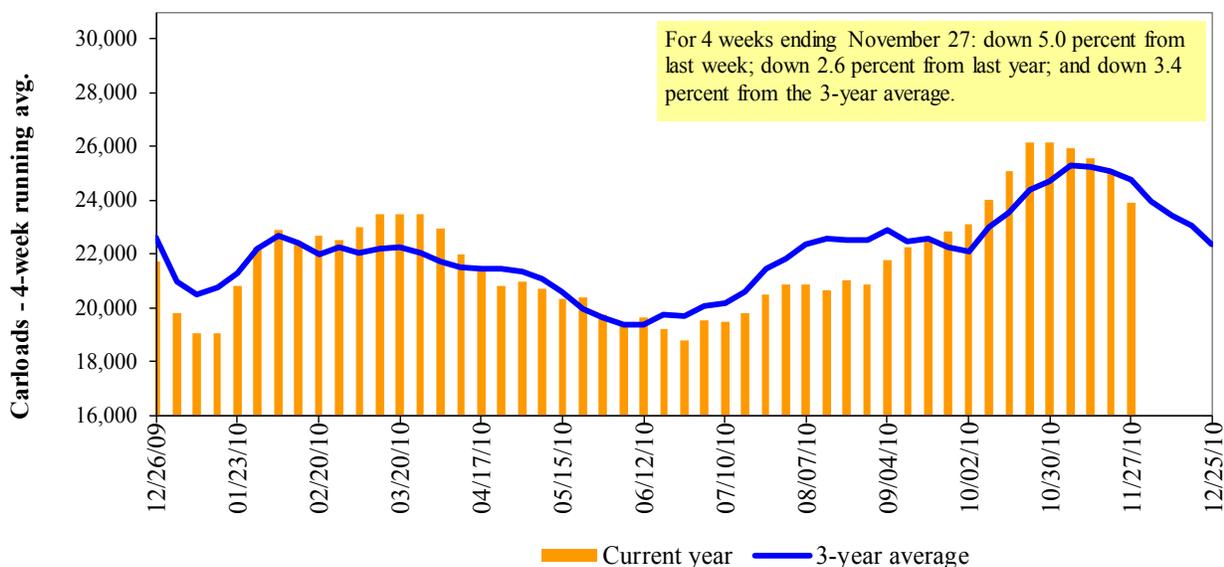
Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
11/27/10	2,183	2,582	9,512	367	5,415	20,059	3,886	4,441
This week last year	2,044	2,975	10,385	506	6,343	22,253	4,357	4,932
2010 YTD	100,856	144,210	493,148	32,591	266,515	1,037,320	183,879	241,950
2009 YTD	94,834	127,152	433,941	33,553	242,938	932,418	184,935	255,248
2010 YTD as % of 2009 YTD	106	113	114	97	110	111	99	95
Last 4 weeks as % of 2009 ¹	93	91	105	68	94	97	92	96
Last 4 weeks as % of 3-yr avg.	82	93	101	75	100	97	86	92
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 2009 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3**Total Weekly U.S. Class I Railroad Grain Car Loadings**

Source: Association of American Railroads

Table 5

Rail Car Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Dec-10	Dec-09	Jan-11	Jan-10	Feb-11	Feb-10	Mar-11	Mar-10
12/4/2010								
BNSF ³								
COT grain units	no bids	no offer	no bids	0	no bids	no bids	0	no bids
COT grain single-car ⁵	0	no offer	0	0 . . 1	0	0	0	0
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	1	no bids	n/a	no offer
GCAS/Region 2	no bids	no bids	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.

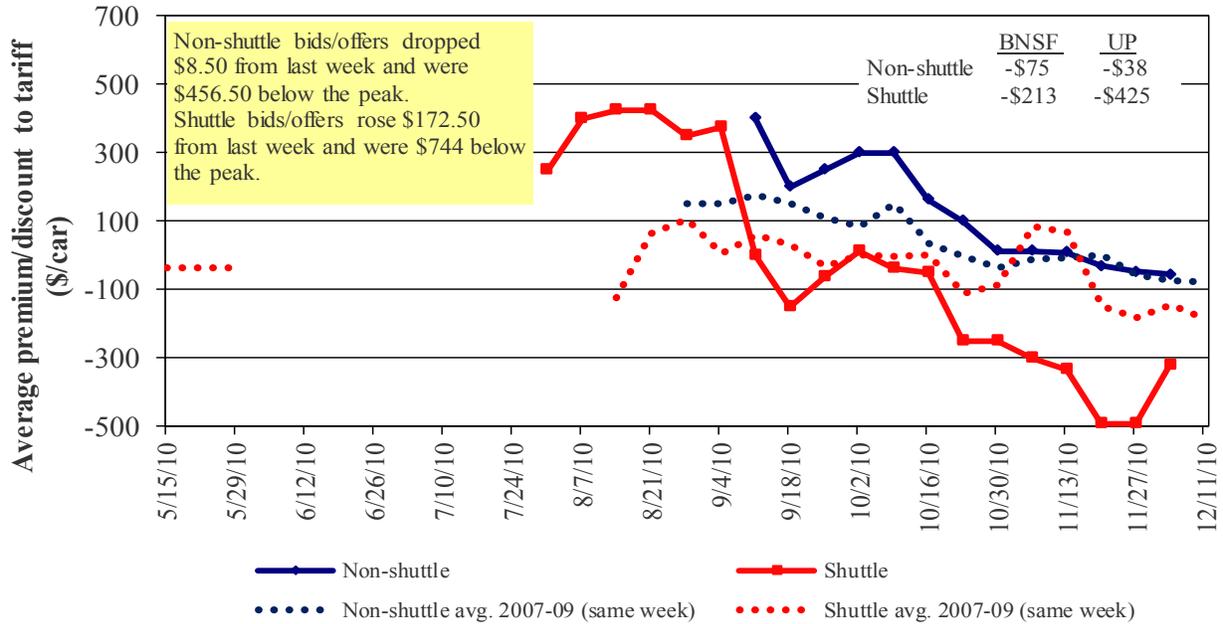
⁵Range is shown because average is not available. Not available = n/a.

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 December 2010, Secondary Market

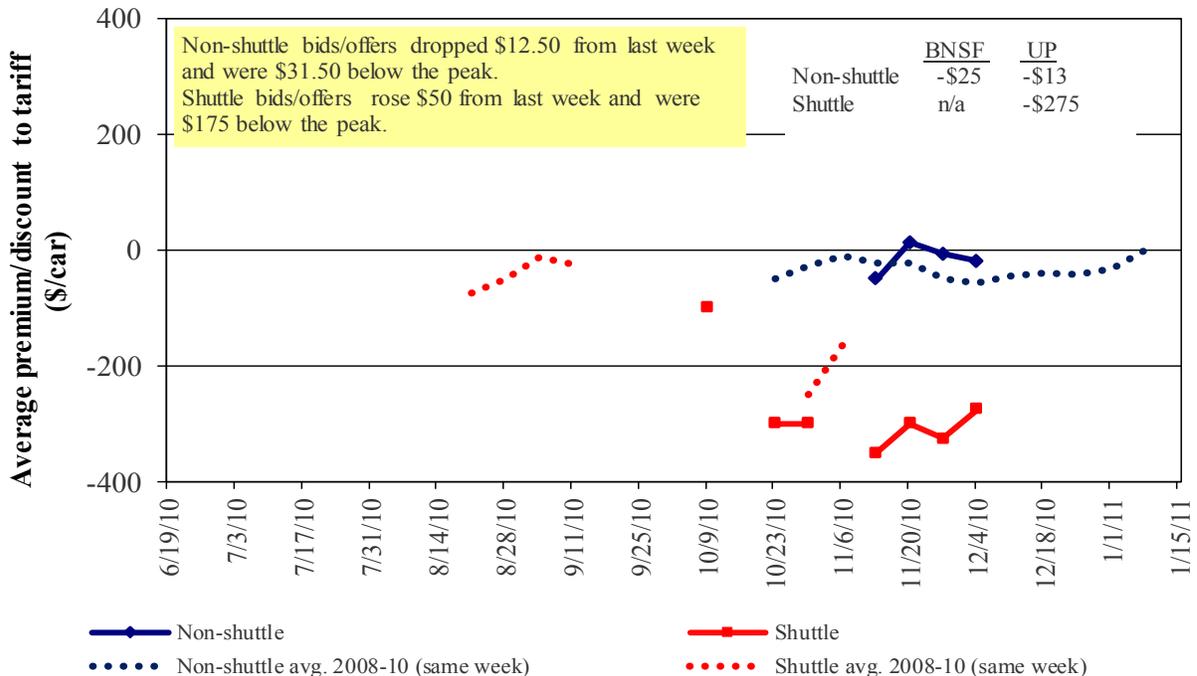


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in January 2011, Secondary Market

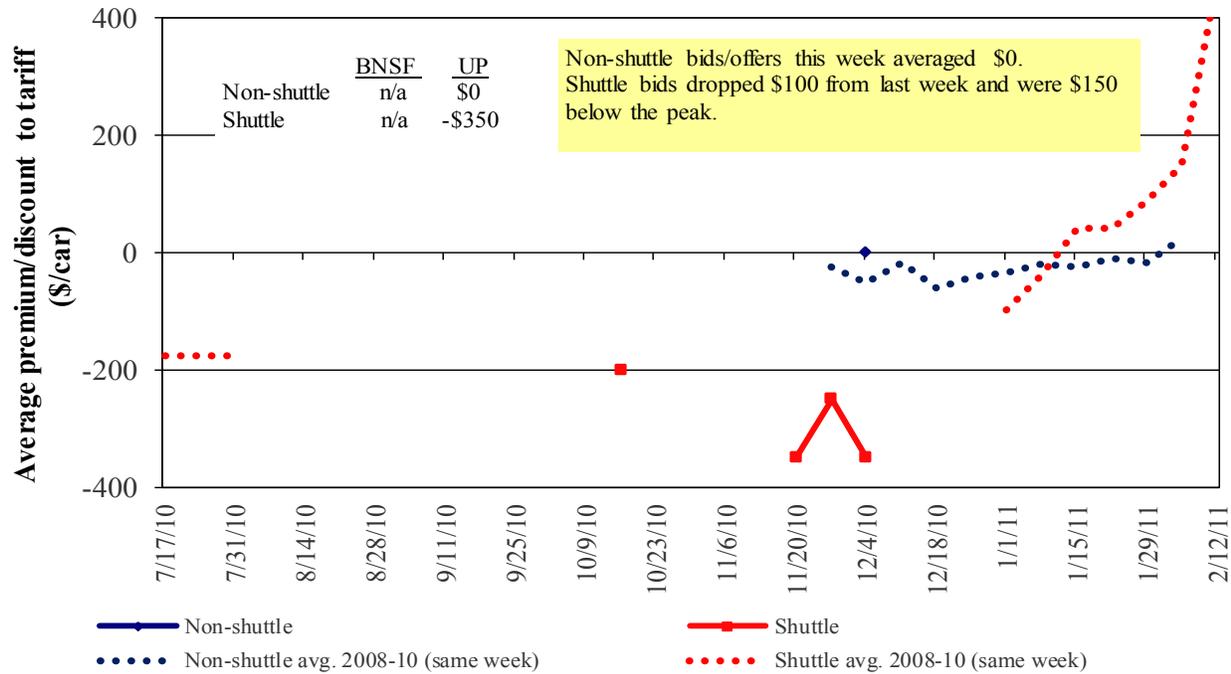


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 2011, 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					
	Dec-10	Jan-10	Feb-10	Mar-10	Apr-10	May-10
12/4/2010						
Non-shuttle						
BNSF-GF	(75)	(25)	n/a	n/a	n/a	n/a
Change from last week	(17)	(25)	n/a	n/a	n/a	n/a
Change from same week 2009	(96)	(10)	n/a	n/a	n/a	n/a
UP-Pool	(38)	(13)	-	-	n/a	n/a
Change from last week	-	-	n/a	n/a	n/a	n/a
Change from same week 2009	(48)	7	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(213)	n/a	n/a	n/a	n/a	n/a
Change from last week	270	n/a	n/a	n/a	n/a	n/a
Change from same week 2009	(188)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(425)	(275)	(350)	(350)	n/a	n/a
Change from last week	75	50	(100)	(50)	n/a	n/a
Change from same week 2009	(325)	n/a	n/a	n/a	n/a	n/a

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

² Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:						
12/6/2010	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	\$101	\$28.55	\$0.78
	Grand Forks, ND	Duluth-Superior, MN	\$2,563	\$137	\$26.81	\$0.73
	Wichita, KS	Los Angeles, CA	\$5,047	\$704	\$57.11	\$1.55
	Wichita, KS	New Orleans, LA	\$3,275	\$178	\$34.29	\$0.93
	Sioux Falls, SD	Galveston-Houston, TX	\$4,981	\$578	\$55.20	\$1.50
	Northwest KS	Galveston-Houston, TX	\$3,543	\$195	\$37.12	\$1.01
	Amarillo, TX	Los Angeles, CA	\$3,742	\$271	\$39.86	\$1.08
Corn	Champaign-Urbana, IL	New Orleans, LA	\$2,812	\$201	\$29.92	\$0.81
	Toledo, OH	Raleigh, NC	\$3,760	\$234	\$39.66	\$1.08
	Des Moines, IA	Davenport, IA	\$1,843	\$43	\$18.72	\$0.51
	Indianapolis, IN	Atlanta, GA	\$3,196	\$176	\$33.48	\$0.91
	Indianapolis, IN	Knoxville, TN	\$2,760	\$113	\$28.53	\$0.78
	Des Moines, IA	Little Rock, AR	\$2,938	\$125	\$30.42	\$0.83
	Des Moines, IA	Los Angeles, CA	\$4,372	\$365	\$47.04	\$1.28
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,381	\$194	\$35.50	\$0.97
	Toledo, OH	Huntsville, AL	\$2,921	\$166	\$30.66	\$0.83
	Indianapolis, IN	Raleigh, NC	\$3,830	\$235	\$40.37	\$1.10
	Indianapolis, IN	Huntsville, AL	\$2,613	\$113	\$27.07	\$0.74
	Champaign-Urbana, IL	New Orleans, LA	\$3,156	\$201	\$33.34	\$0.91
Shuttle Train						
Wheat	Great Falls, MT	Portland, OR	\$2,868	\$405	\$32.50	\$0.88
	Wichita, KS	Galveston-Houston, TX	\$2,867	\$315	\$31.60	\$0.86
	Chicago, IL	Albany, NY	\$3,497	\$219	\$36.90	\$1.00
	Grand Forks, ND	Portland, OR	\$4,131	\$699	\$47.97	\$1.31
	Grand Forks, ND	Galveston-Houston, TX	\$5,046	\$728	\$57.34	\$1.56
	Northwest KS	Portland, OR	\$4,510	\$320	\$47.96	\$1.31
	Minneapolis, MN	Portland, OR	\$4,120	\$851	\$49.37	\$1.34
Corn	Sioux Falls, SD	Tacoma, WA	\$4,120	\$780	\$48.66	\$1.32
	Champaign-Urbana, IL	New Orleans, LA	\$2,677	\$201	\$28.58	\$0.78
	Lincoln, NE	Galveston-Houston, TX	\$2,880	\$454	\$33.11	\$0.90
	Des Moines, IA	Amarillo, TX	\$3,330	\$157	\$34.63	\$0.94
	Minneapolis, MN	Tacoma, WA	\$4,120	\$845	\$49.30	\$1.34
	Council Bluffs, IA	Stockton, CA	\$3,480	\$874	\$43.23	\$1.18
	Sioux Falls, SD	Tacoma, WA	\$4,320	\$780	\$50.64	\$1.38
Soybeans	Minneapolis, MN	Portland, OR	\$4,270	\$851	\$50.86	\$1.38
	Fargo, ND	Tacoma, WA	\$4,270	\$693	\$49.29	\$1.34
	Council Bluffs, IA	New Orleans, LA	\$3,510	\$232	\$37.16	\$1.01
	Toledo, OH	Huntsville, AL	\$2,536	\$166	\$26.83	\$0.73
	Grand Island, NE	Portland, OR	\$4,520	\$327	\$48.14	\$1.31

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

Effective date: 12/6/2010			Fuel		Tariff plus surcharge per:		Percent
Commodity	Origin state	Destination region	Tariff rate/car ¹	surcharge per car ²	metric ton ³	bushel ³	change Y/Y ⁴
Wheat	MT	Chihuahua, CI	\$6,705	\$740	\$76.07	\$2.07	9
	OK	Cuautitlan, EM	\$6,026	\$587	\$67.56	\$1.84	7
	KS	Guadalajara, JA	\$6,705	\$851	\$77.20	\$2.10	10
	TX	Salinas Victoria, NL	\$3,397	\$197	\$36.72	\$1.00	11
Corn	IA	Guadalajara, JA	\$7,000	\$865	\$80.37	\$2.04	8
	SD	Penjamo, GJ	\$6,520	\$968	\$76.51	\$1.94	3
	NE	Queretaro, QA	\$6,240	\$586	\$69.75	\$1.77	3
	SD	Salinas Victoria, NL	\$4,785	\$736	\$56.41	\$1.43	7
	MO	Tlalnepantla, EM	\$5,428	\$570	\$61.29	\$1.56	4
	SD	Torreon, CU	\$5,610	\$811	\$65.60	\$1.66	7
Soybeans	MO	Bojay (Tula), HG	\$6,103	\$738	\$69.90	\$1.90	3
	NE	Guadalajara, JA	\$6,860	\$835	\$78.62	\$2.14	9
	IA	El Castillo	\$6,830	\$962	\$79.61	\$2.16	5
	KS	Torreon, CU	\$5,565	\$546	\$62.44	\$1.70	9
Sorghum	OK	Cuautitlan, EM	\$4,729	\$735	\$55.83	\$1.42	11
	TX	Guadalajara, JA	\$5,670	\$630	\$64.37	\$1.63	8
	NE	Penjamo, GJ	\$6,565	\$775	\$75.00	\$1.90	4
	KS	Queretaro, QA	\$5,628	\$450	\$62.10	\$1.58	5
	NE	Salinas Victoria, NL	\$4,500	\$463	\$50.70	\$1.29	5
	NE	Torreon, CU	\$5,510	\$600	\$62.43	\$1.58	7

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

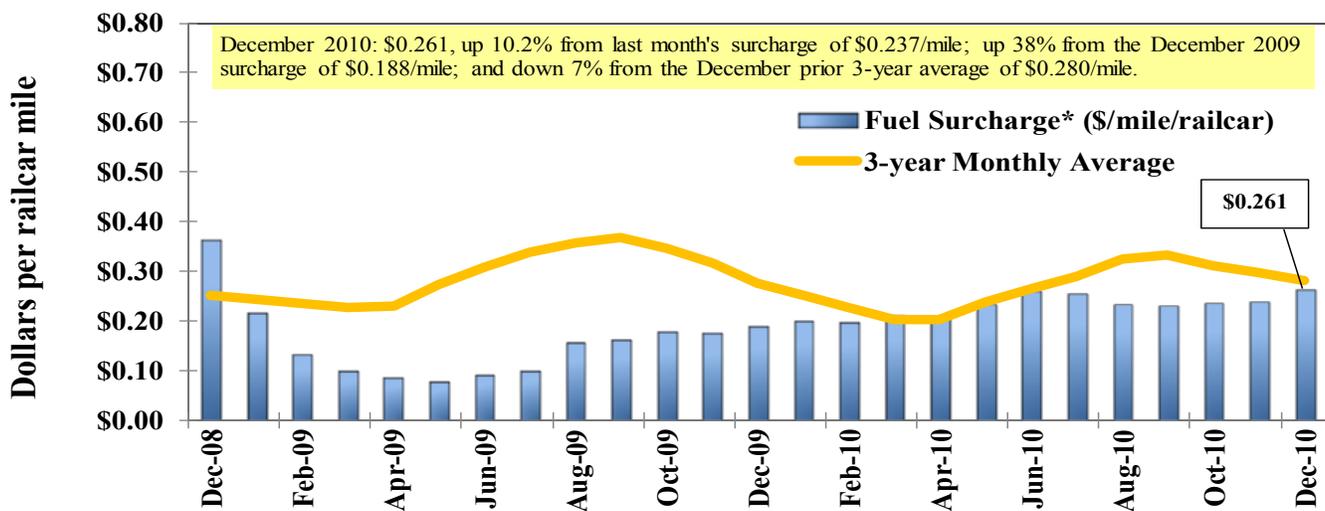
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵ Beginning 12/6/10, El Castillo replaced Penjamo, GJ as the destination

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

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

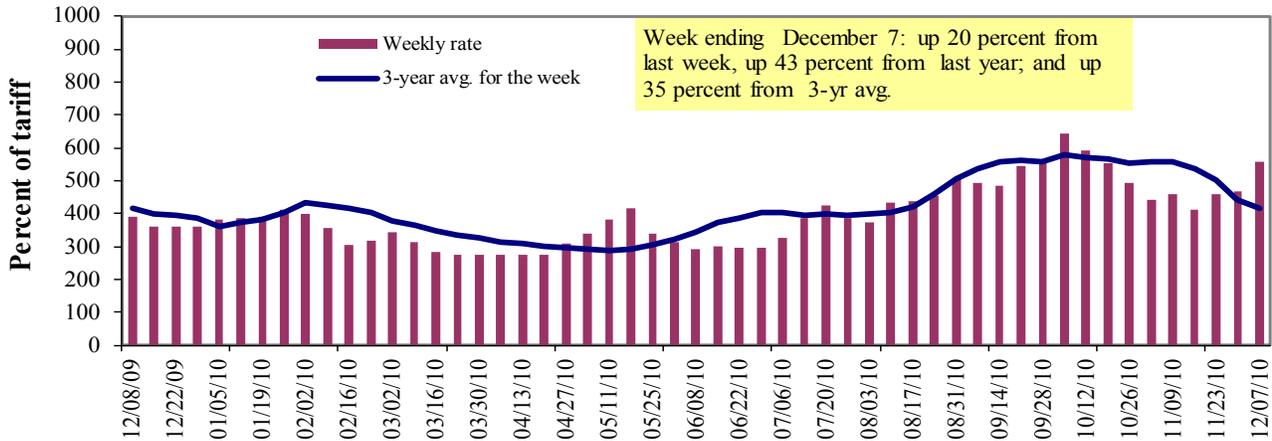
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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

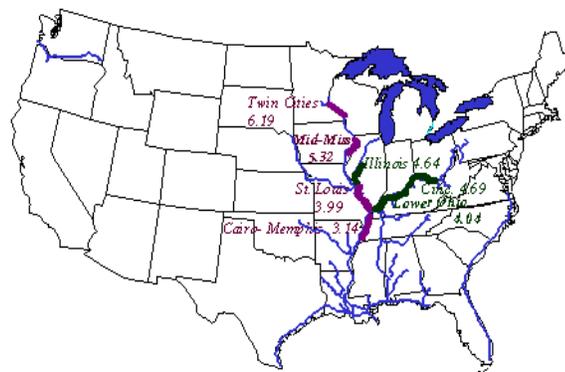
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	12/7/2010	-	-	559	438	498	498	400
	11/30/2010	-	454	466	365	471	471	340
\$/ton	12/7/2010	-	-	25.94	17.48	23.36	20.12	12.56
	11/30/2010	-	24.15	21.62	14.56	22.09	19.03	10.68
Current week % change from the same week:								
	Last year	-	-	43	59	46	47	60
	3-year avg. ²	-	-	35	27	33	34	29
Rate¹	January	-	-	450	345	448	448	339
	March	-	-	431	334	391	385	316

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



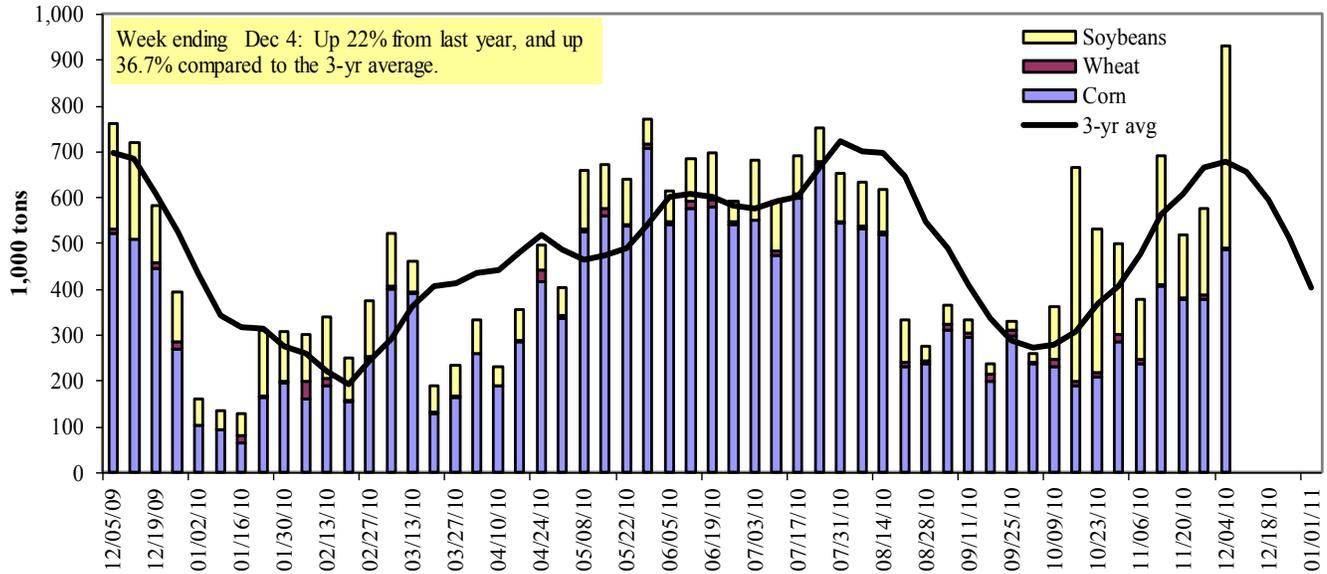
Calculating barge rate per ton:

(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 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/mvrmi/omni/webprts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 12/4/2010	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	183	0	104	0	287
Winfield, MO (L25)	384	2	364	0	750
Alton, IL (L26)	494	5	411	2	912
Granite City, IL (L27)	486	5	439	2	932
Illinois River (L8)	114	3	66	2	185
Ohio River (L52)	31	2	75	0	108
Arkansas River (L1)	0	3	62	11	75
Weekly total - 2010	517	9	576	13	1,115
Weekly total - 2009	616	11	366	9	1,002
2010 YTD ¹	21,469	1,132	9,235	454	32,291
2009 YTD	21,923	1,452	9,648	408	33,432
2010 as % of 2009 YTD	98	78	96	111	97
Last 4 weeks as % of 2009 ²	97	43	72	152	84
Total 2009	23,424	1,501	10,465	430	35,819

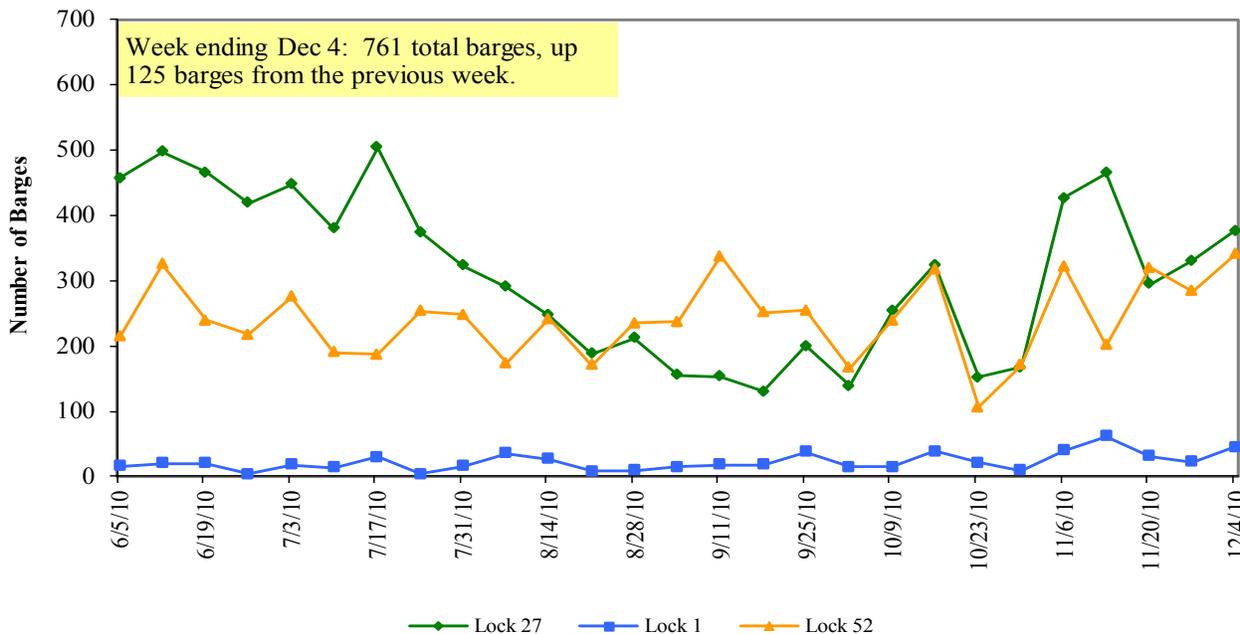
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

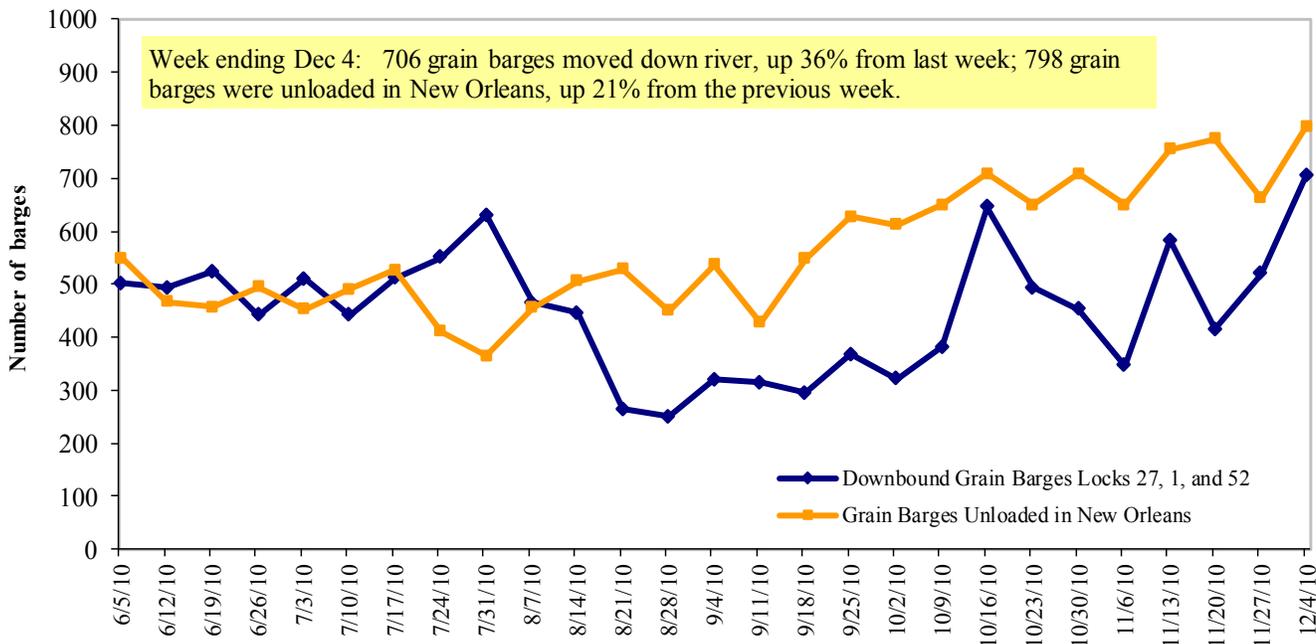
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrmi/omni/webprts/default.asp)

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 12/6/2010 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.206	0.040	0.414
	New England	3.315	0.078	0.441
	Central Atlantic	3.328	0.040	0.432
	Lower Atlantic	3.144	0.036	0.404
II	Midwest ²	3.175	0.031	0.433
III	Gulf Coast ³	3.132	0.054	0.406
IV	Rocky Mountain	3.276	0.004	0.470
V	West Coast	3.321	0.021	0.437
	California	3.352	0.024	0.410
Total	U.S.	3.197	0.035	0.425

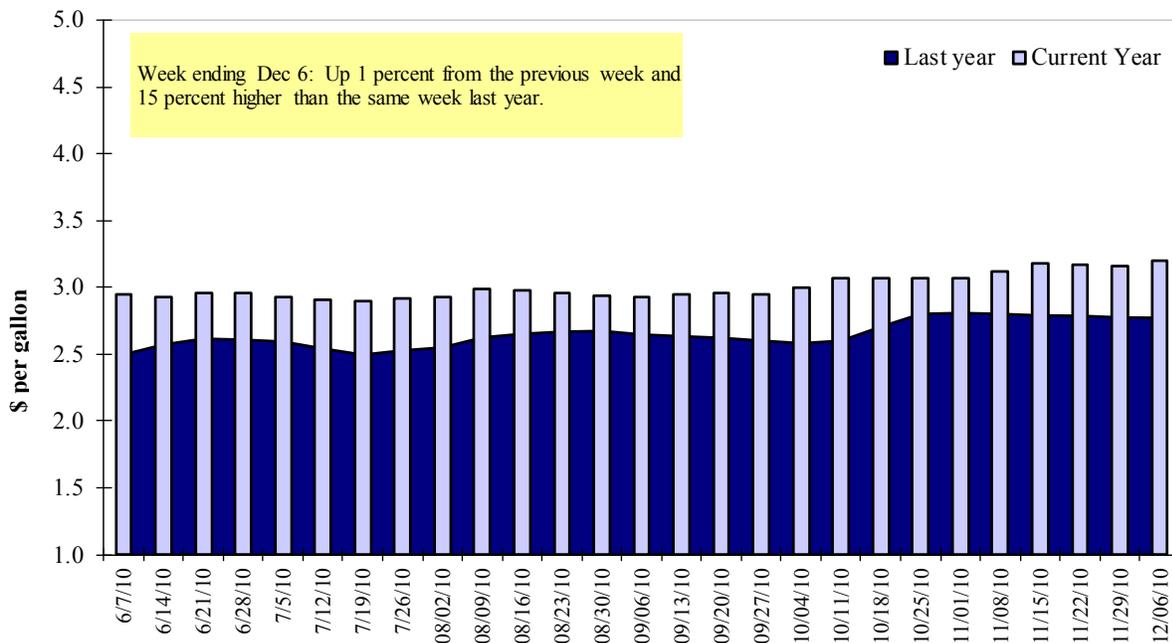
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
11/25/2010	3,650	780	2,808	1,329	174	8,740	12,389	17,599	38,728
This week year ago	1,461	474	1,001	699	278	3,913	9,915	15,116	28,944
Cumulative exports-marketing year²									
2010/11 YTD	6,895	952	3,820	2,239	556	14,461	10,479	15,165	40,105
2009/10 YTD	3,869	1,646	2,597	2,150	603	10,864	10,659	12,517	34,040
YTD 2010/11 as % of 2009/10	178	58	147	104	92	133	98	121	118
Last 4 wks as % of same period 2008/09	251	139	258	184	70	213	126	122	136
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 11/25/10	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 -
Japan	6,644	5,592	19	14,343
Mexico ⁴	3,352	3,876	(14)	7,999
Korea	2,987	2,922	2	7,562
Taiwan	966	1,204	(20)	2,949
Egypt	1,604	613	162	2,935
Top 5 importers	15,552	14,206	9	35,788
Total US corn export sales⁵	22,868	20,574	11	50,460
% of Projected	46%	41%		
Change from Last Week	758	659		
Top 5 importers' share of U.S. corn export sales	68%	69%		
USDA forecast, November 2010	49,530	50,460	(2)	
Corn Use for Ethanol USDA forecast, Ethanol November 2010	121,920	115,824	5	

(n) indicates negative number.

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

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

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

⁴ Not included - FAS Press Release: 120,000 mt on 11/29 to Mexico for 2010/11.

⁵ Not included - FAS Press Release: 354,000 mt (238,000 mt on 12/2; 116,000 mt on 12/6) to Unknown for 2010/11.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week ending 11/25/10	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 -
China ⁴	20,989	16,958	24	22,454
Mexico	1,480	1,187	25	3,276
Japan	1,088	1,203	(10)	2,347
EU-25	1,031	853	21	2,647
Taiwan	736	961	(23)	1,556
Top 5 importers	25,324	21,162	20	32,280
Total US soybean export sales	32,763	27,633	19	40,850
% of Projected	77%	68%		
Change from last week	1,342	657		
Top 5 importers' share of U.S. soybean export sales	77%	77%		
USDA forecast, November 2010	42,730	40,850	5	
Soybean Use for Biodiesel USDA forecast, November 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 - 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 12/6 to China for 2010/11.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 11/25/2010	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	2,066	2,012	3	3,233
Japan	2,272	1,911	19	3,148
Mexico	1,957	1,241	58	1,975
Philippines	1,667	1,247	34	1,518
Korea, South	1,210	758	60	1,111
Taiwan	553	573	(4)	844
Venezuela	403	346	16	658
Colombia	497	420	19	575
Peru	687	336	104	567
Egypt	2,222	456	388	529
Top 10 importers	13,533	9,299	46	14,156
Total US wheat export sales⁴	23,202	14,777	57	23,980
% of Projected	68%	62%		
Change from last week	663	391		
Top 10 importers' share of U.S. wheat export sales	58%	63%		
USDA forecast, November 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.⁴Not Included, FAS Press Release: 116,000 mt HRW to Unknown 12/6 for 2010/11.

Table 16

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

Port regions	Week ending 12/02/10	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	122	10,127	9,447	107	72	73	10,091
Corn	232	9,179	7,658	120	151	90	8,498
Soybeans	243	9,132	8,681	105	81	114	9,743
Total	597	28,439	25,785	110	89	96	28,332
Mississippi Gulf							
Wheat	165	3,814	3,859	99	146	99	4,019
Corn	337	27,528	27,411	100	105	84	28,843
Soybeans	521	19,583	18,767	104	106	132	21,831
Total	1,023	50,925	50,037	102	107	111	54,693
Texas Gulf							
Wheat	146	8,640	5,301	163	176	136	5,735
Corn	0	1,746	1,885	93	107	132	1,968
Soybeans	57	1,690	2,004	84	60	181	2,402
Total	203	12,077	9,190	131	105	147	10,105
Great Lakes							
Wheat	82	1,785	965	185	178	153	990
Corn	0	100	319	31	0	0	353
Soybeans	25	536	756	71	37	74	781
Total	107	2,422	2,040	119	84	98	2,124
Atlantic							
Wheat	0	314	551	57	0	0	552
Corn	0	436	458	95	34	21	472
Soybeans	19	1,157	890	130	73	120	1,268
Total	19	1,908	1,898	101	69	83	2,292
U.S. total from ports²							
Wheat	514	24,680	20,123	123	124	104	21,387
Corn	569	38,990	37,730	103	111	83	40,134
Soybeans	865	32,100	31,097	103	89	128	36,025
Total	1,948	95,770	88,950	108	117	109	97,546

¹ Data weekly revisions to prior weeks could be substantial, some regional totals may not add exactly due to rounding.

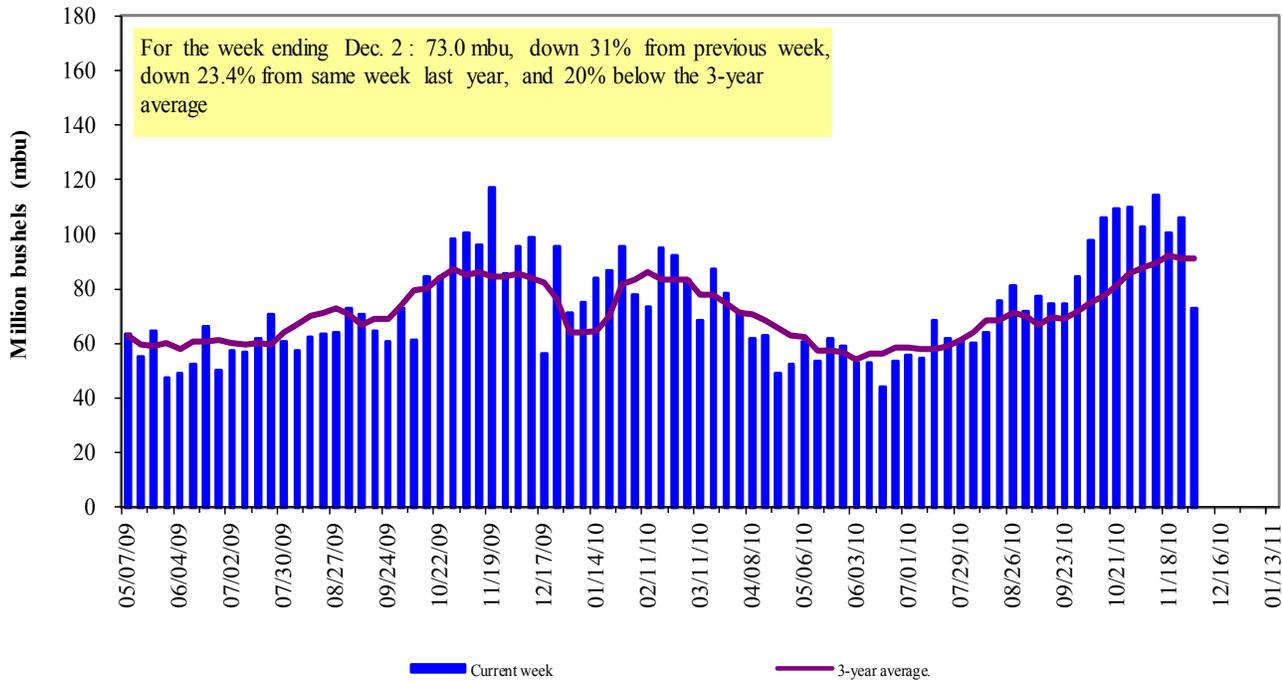
² Total includes only port regions shown above

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)

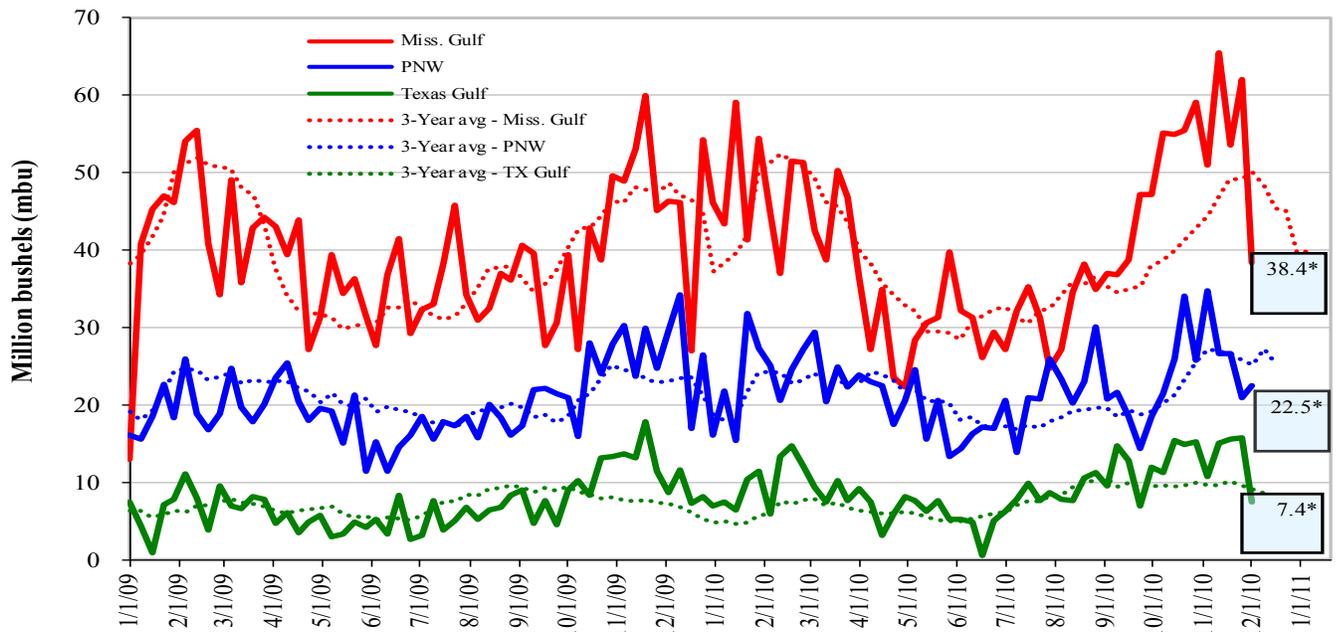


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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>Dec 2, % change from:</u>	<u>MS Gulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	down 38	down 53	down 41	up 8
Last year (same week)	down 17	down 14	down 17	down 24
3-yr avg. (4-wk mov. avg.)	down 23	down 19	down 22	down 10

Ocean Transportation

Table 17

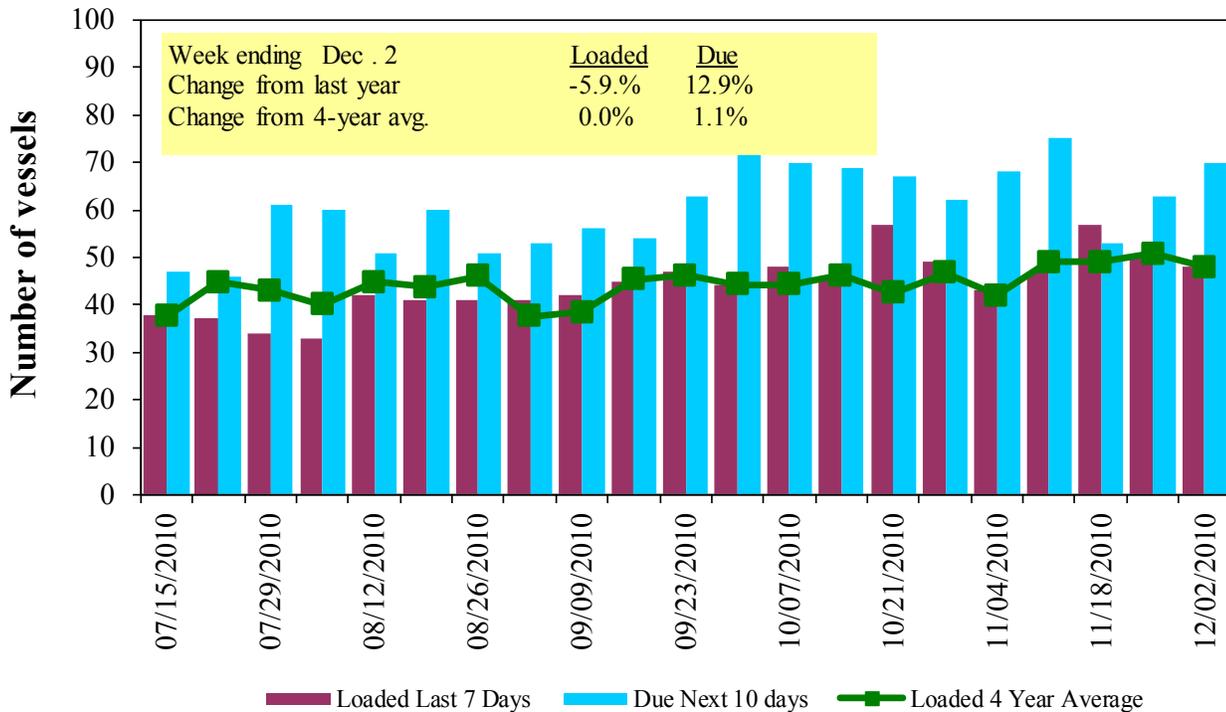
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
12/2/2010	35	48	70	24	11
11/25/2010	36	50	63	n/a	10
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

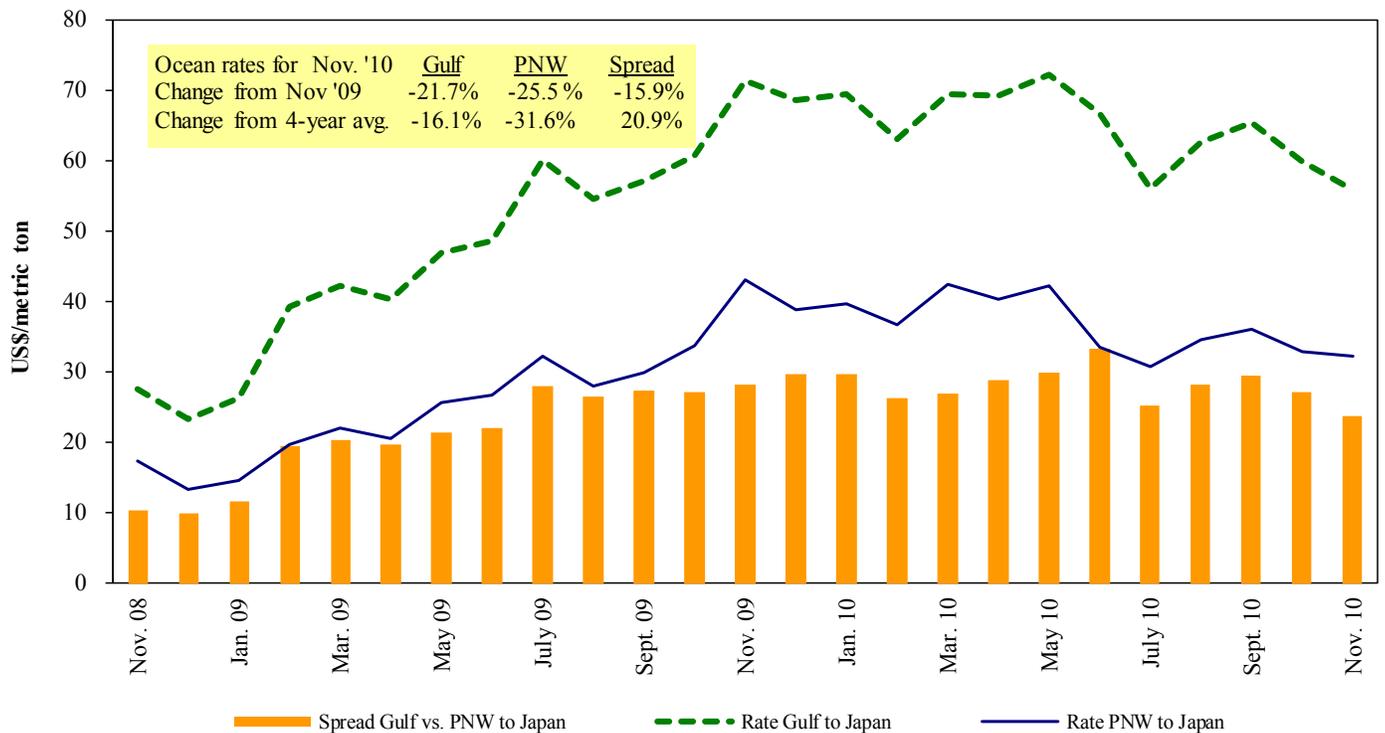


Source: Transportation & Marketing Programs/AMS/USDA

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 12/04/2010

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 1/5	55,000	63.00
U.S. Gulf	China	Heavy Grain	Nov 20/30	55,000	56.00
U.S. Gulf	China	Heavy Grain	Nov 15/24	55,000	57.00
U.S. Gulf	China	Heavy Grain	Nov 15/24	55,000	56.75
U.S. Gulf	China	Heavy Grain	Oct 22/30	55,000	57.00
U.S. Gulf	Egypt Med	Heavy Grain	Sep 5/10	55,000	42.00
U.S. Gulf	Portugal	Soybeanmeal	Oct 29/Nov 10	24,000	36.00
U.S. Gulf	Pakistan ¹	Wheat	Nov 26/Dec 6	8,100	77.99
Brazil	Algeria	Corn	Oct 15/20	25,000	36.00
Brazil	Morocco	Heavy Grain	Oct 3/5	26,000	36.75
France	Algeria	Wheat	Oct 30/Nov 5	22,500	29.00
River Plate	Algeria	Corn	Dec 5/10	25,000	36.00
River Plate	Algeria	Soybeanmeal	Nov 28/30	25,000	39.50
River Plate	Algeria	Corn	Nov 16/25	25,000	31.00
River Plate	Italy	Heavy Grain	Nov 1/2	28,000	41.50
River Plate	Poland	Soybeanmeal	Oct 28/30	15,000	48.00
Romania	Egypt Med	Wheat	Nov 1/10	25,000	17.25
Ukraine	Egypt	Corn	Oct 20/25	25,000	18.75

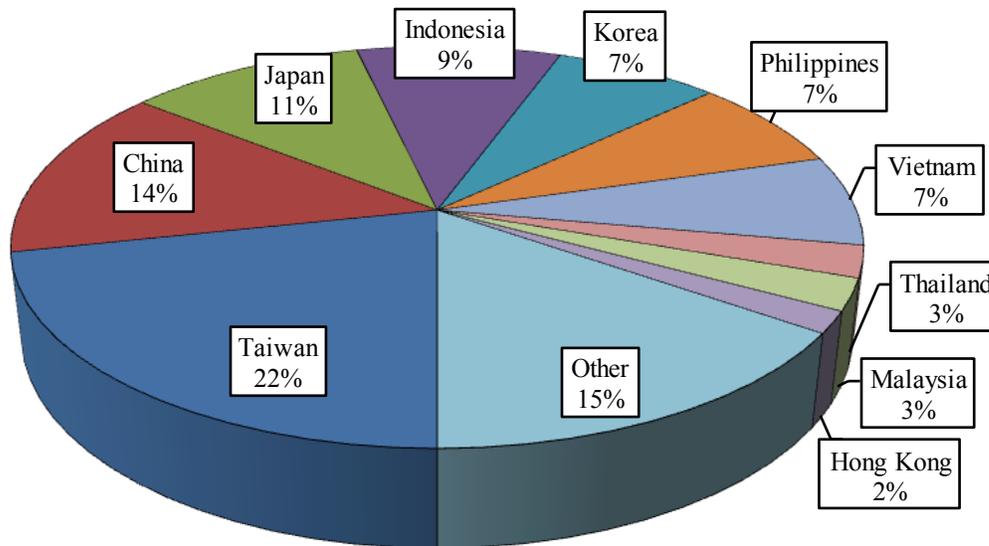
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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

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, August 2010

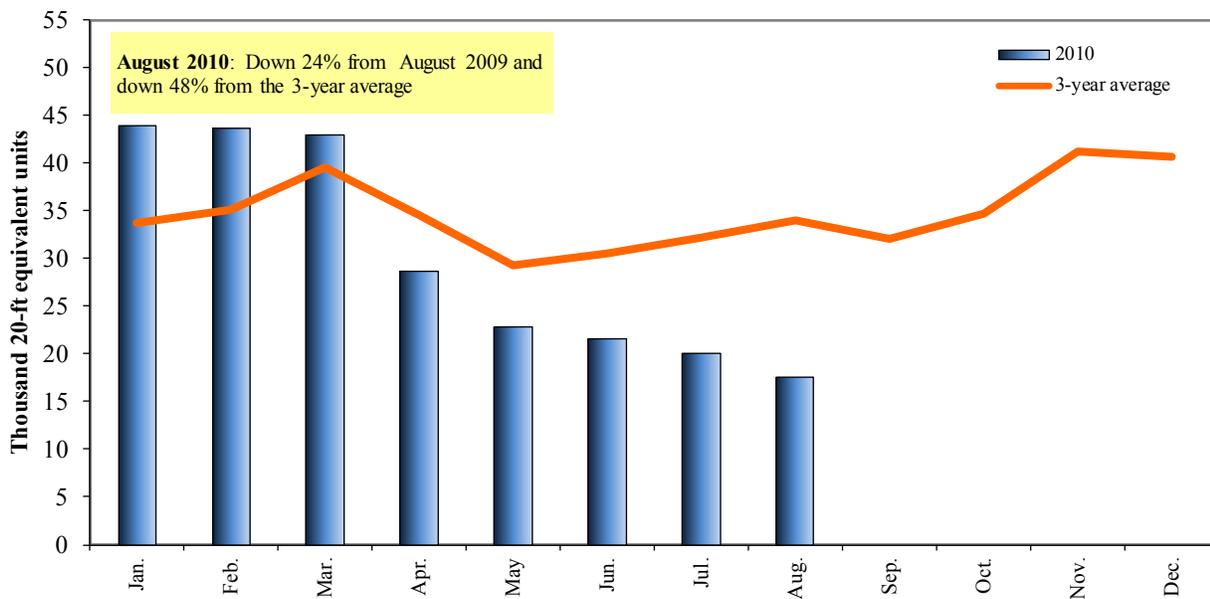


Source: Port Import Export Reporting Service (PIERS)

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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