Agricultural Marketing Service

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WEEKLY HIGHLIGHTS

Grain Moving on River Despite Unfavorable Navigation Conditions

For the first two weeks of December, **Illinois River barge rates** have averaged 570 percent of tariff, considerably higher than the 376 percent rate during the first half of December 2009. Consistent colder-than-average temperatures have caused unfavorable barge operating conditions in most of the Midwest. While the Illinois River is typically open during the winter, an early freeze of the river has limited barge traffic over the past few weeks. During the week ending December 11, **barge grain movements** through the locking portion of the river system totaled 717,232 tons, 36 percent lower than the movements during the previous week, which was the high for the year at more than 1.1 million short tons. However, **the number of barges unloaded in New Orleans** hit the highest weekly total for the year during the week ending December 11 because of the strong southbound grain volumes seen over the past several weeks.

Colombian Government Reduces Tariffs on DDG

Colombia reduced the tariff rate for U.S. dried distillers' grains (DDG) and corn gluten feed (CGF) from 15 percent to 10 percent, which is expected to increase Colombian demand for these products. According to a U.S. Grains Council (USGC) assessment, the Colombian swine industry could save as much as $13 million per year when using these products in place of more expensive feed ingredients. So far during 2010, Colombia has imported 69,000 metric tons of U.S. DDG and 59,000 tons of CGF. However, with future enactment of a United States-Colombia Trade Promotion Agreement along with proper market education, the USGC believes U.S. exports of DDG and CGF to Colombia could reach 700,000 metric tons per year. DDG are shipped to port for export using containers, hopper railcars, and barges; however, the availability of quality data on the type of equipment used to export DDG is not currently available.

Diesel Fuel Prices Reach Highest Average Since October 2008

During the week ending December 13, U.S. average **diesel fuel prices** increased 3 cents per gallon to $3.23—1 percent higher than the previous week and 17.6 percent higher than the same week last year. Over the past 2 weeks, prices have increased a total of 7 cents per gallon. According to the Energy Information Administration, demand for petroleum products has been high and recent refinery outages and shutdowns for fall maintenance, along with lower oil imports, have put pressure on fuel supplies, raising fuel prices.

Corn Inspections Highest Since September

For the week ending December 9, total inspections of grain (corn, wheat, and soybeans) from all major U.S. export regions reached 2.16 million metric tons (mmt), down 8 percent from the previous week and 18 percent below last year. Despite the drop in total grain inspections, corn inspections (.801 mmt) jumped 37 percent. The corn was destined primarily to Japan and Korea. Inspections of corn were the highest since September 30 (.862 mmt), with Mississippi Gulf corn inspections (.571 mmt) up 61 percent from the previous week. Soybean inspections were down 23 percent from December 2, which were adjusted up to 1.17 mmt after revisions. Wheat inspections dropped 20 percent as shipments to Africa decreased.

Snapshots by Sector

Rail

U.S. railroads originated 24,839 **carloads of grain** during the week ending December 4, up 24 percent from last week, down 2 percent from last year, and 6 percent higher than the 3-year average.

During the week ending December 11, average December non-shuttle **secondary railcar bids/offers** were $49 below tariff, up $7.50 from last week. Average shuttle rates were $50 below tariff, up $269 from last week.

Ocean

During the week ending December 9, 45 **ocean-going grain vessels** were loaded in the Gulf, up 13 percent from last year. Seventy-four vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up10 percent from last year.

During the week ending December 10, the cost of shipping grain from the Gulf to Japan averaged $54.50 per mt, up 3 percent from the previous week. The rate from the Pacific Northwest to Japan was $31 per mt, up 7 percent from the previous week.

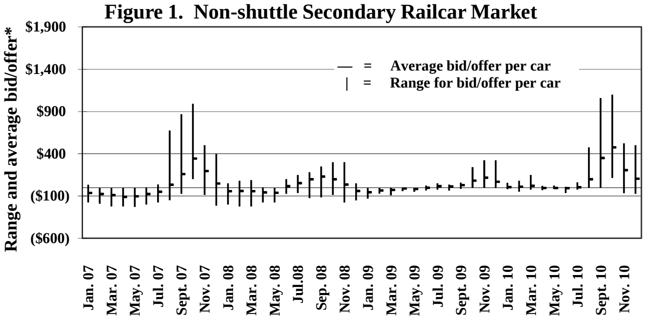
Containerized Grain Exports

Containerized grain exports to Asia in September were 21 percent lower than the previous year and 40 percent lower than the 3-year average, but 10 percent higher than August.

Feature Article/Calendar

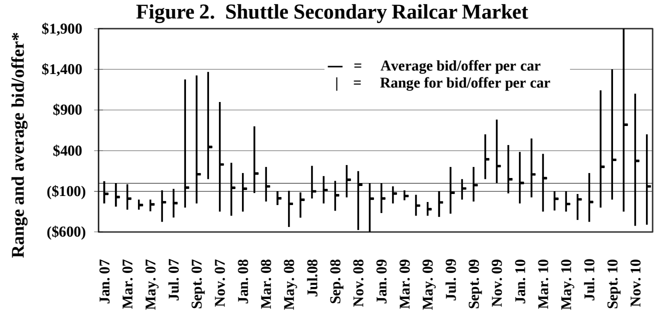
Secondary railcar market bids/offers have been unusually high and volatile since Russia announced an embargo on grain exports on August 5 due to drought and wildfires (see **GTR 8/12/10**) (figures 1 and 2). Other factors affecting the volatility in the secondary railcar markets have been a record soybean harvest and near-record corn harvest as well as robust grain and oilseed export demand. These factors led to grain shippers' early fears that the capacity of the rail system would be inadequate for the fall harvest. In addition, Argus Rail Business (December 6, 2010) reports that grain shippers have experienced a decline in the level of rail service they are receiving this fall from the major railroads. Part of this decline in rail service may be due to the early harvest and its rapid progression, which put an additional strain on railroad capacity.

Figure 1. Non-shuttle Secondary Railcar Market



* up to 6 months of trading
Source: Transportation and Marketing Programs/AMS/USDA

Figure 2. Shuttle Secondary Railcar Market



* up to 6 months of trading
Source: Transportation and Marketing Programs/AMS/USDA

The secondary railcar market reflects trade values for rail service that was originally purchased from the railroad carrier as some form of guaranteed freight service. Bids/offers in the secondary railcar market respond to rail service quality and demand/supply of rail transportation for grain. These bids/offers can be quite volatile from one week to the next, reflecting changing conditions in grain transportation and agricultural markets.

Secondary railcar market bids/offers show a general pattern of larger ranges and higher average bids within the North American harvest period of August through December (figures 1 and 2). The years 2007 and 2010 show unusually large ranges and higher average bids/offers during the harvest season. The figures also show that shuttle bids/offers almost always have more extreme and volatile bids/offers than non-shuttle bids/offers. The years of 2007 and 2010 had notably large grain crops combined with higher demand for U.S. wheat due to wheat crop failures in countries competing with the United States in world wheat markets. The addition of higher export volumes, especially wheat exports, to large crops resulted in more strain on rail capacity; in 2007, rail moved the majority of U.S. wheat exports (66 percent) and 46 percent of all U.S. grain exports. In the case of export corn and soybeans, stress on the rail system is somewhat less because barges move 55 percent of corn and 46 percent of soybeans to export locations.

During 2010, record high non-shuttle bids/offers occurred during the months of September ($1,059) and October ($1,100), compared to $867 during September 2007 and $992 during October 2007. Record bidding period average bids/offers also occurred during September ($347) and October ($475); these compare to $213 during September 2006 and $341 during October 2007.

Record highs were even more pronounced in the 2010 shuttle secondary railcar markets. Record highs occurred during September ($1,400 compared to $1,325 in 2007), October ($1,900 compared to $1,367 in 2007), November ($1,100 compared to $1,000 in 2007), and December ($600 compared to $469 in 2009).

Record bidding period average bids/offer also occurred during 2010. Record non-shuttle average bids/offers were $347 for September and$475 for October. Record shuttle average bid/offers occurred in August ($201), September ($287), October ($719), and November ($272).

Bids/offers in the secondary railcar market for delivery in the first quarter of 2011 are currently trading below tariff rates. The bids/offers for those months are expected to remain in this general range unless changes occur in the grain and railcar markets. Marvin.Prater@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
12/15/10	217	71	323	244	220
12/08/10	215	76	311	237	206

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

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

Table 2

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

Commodity	Origin--Destination	12/10/2010	12/3/2010
Corn	IL--Gulf	-0.76	-0.74
Corn	NE--Gulf	-0.91	-0.94
Soybean	IA--Gulf	-1.31	-1.33
HRW	KS--Gulf	-1.37	-1.32
HRS	ND--Portland	-4.65	-4.42

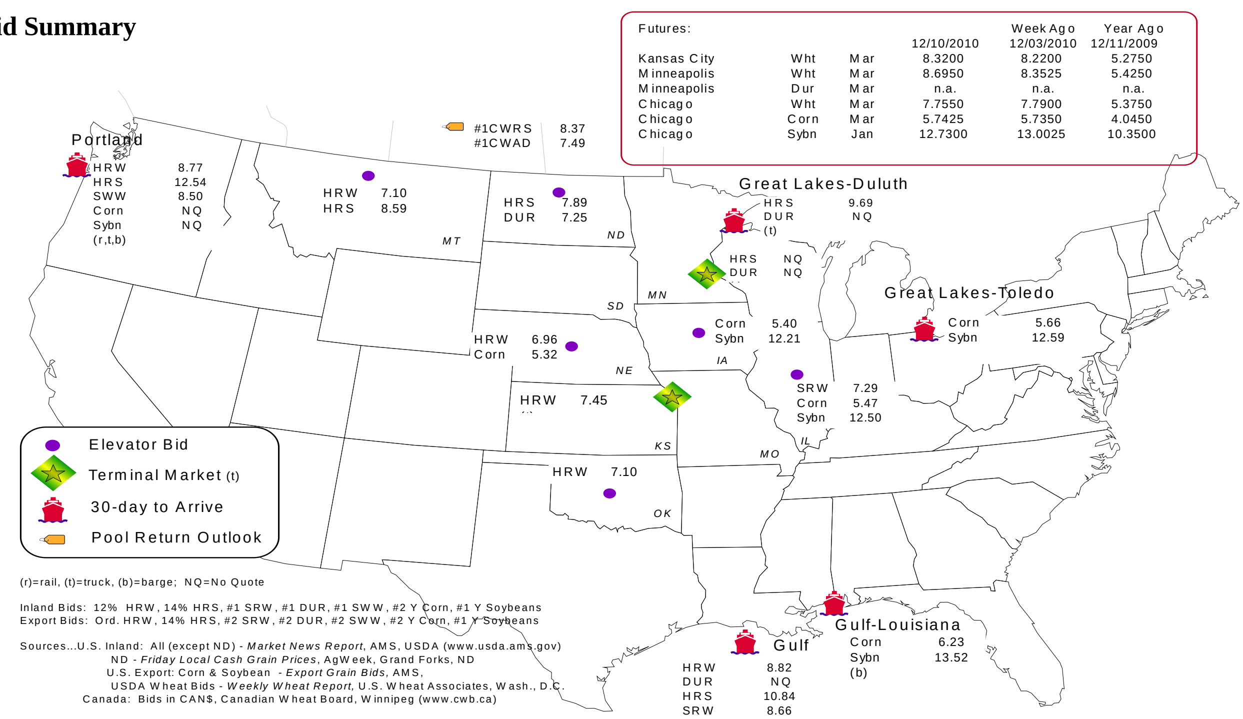
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 1

Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)[1]

Week ending	Mississippi Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
12/08/2010[p]	1,735	993	809	4,788	876	9,201
12/01/2010[r]	1,316	1,808	629	3,663	873	8,289
2010 YTD	30,694	77,181	41,003	166,951	30,770	346,599
2009 YTD	31,889	53,659	35,263	165,607	27,080	313,498
2010 YTD as % of 2009 YTD	96	144	116	101	114	111
Last 4 weeks as % of 2009[2]	101	90	120	99	94	98
Last 4 weeks as % of 4-year avg.[2]	89	105	101	92	114	97
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.

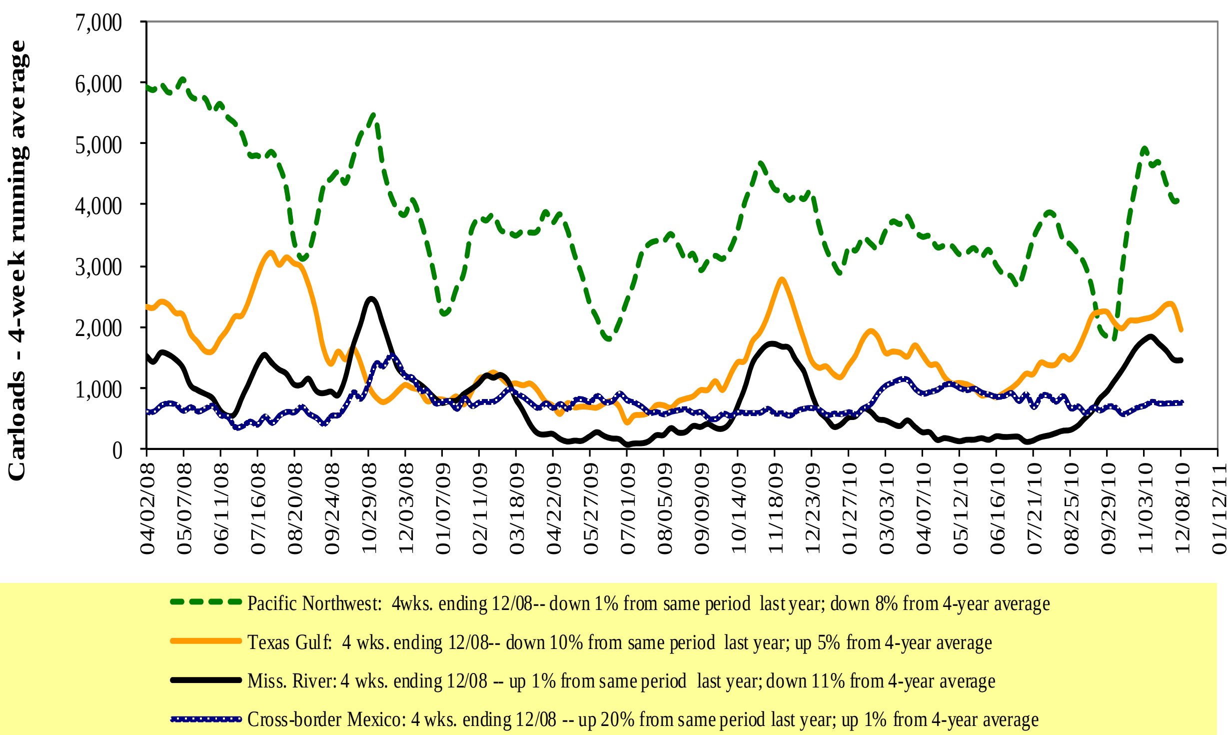
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

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

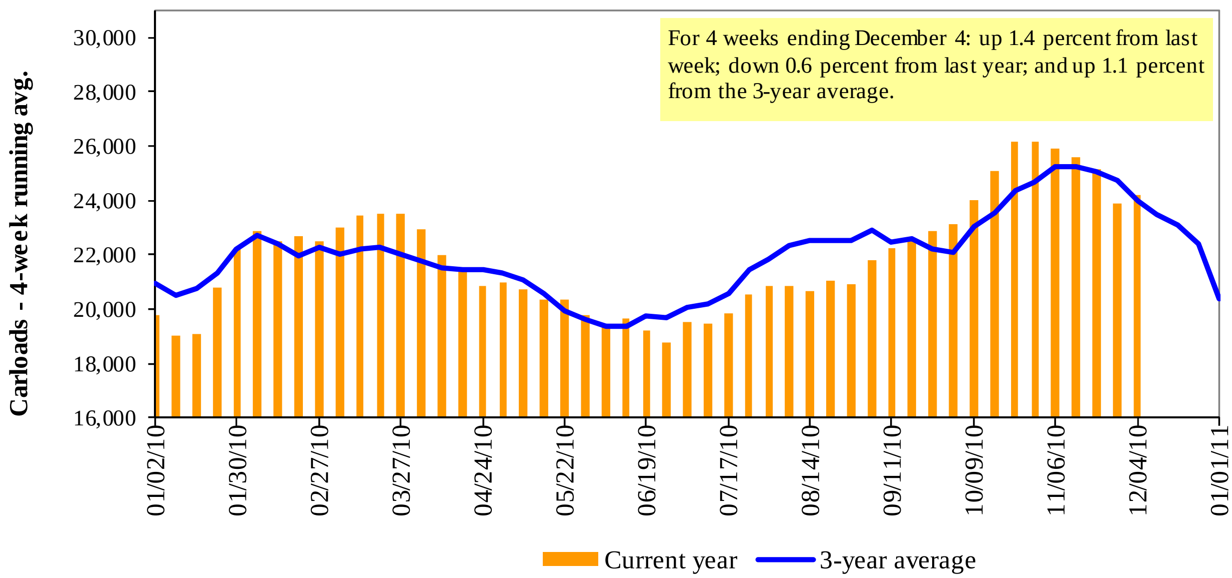
	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
12/04/10	2,231	3,830	11,590	915	6,273	24,839	4,795	5,825
This week last year	2,319	3,587	12,125	971	6,266	25,268	2,850	6,013
2010 YTD	103,087	148,040	504,738	33,506	272,788	1,062,159	188,674	247,775
2009 YTD	97,153	130,739	446,066	34,524	249,204	957,686	187,785	261,261
2010 YTD as % of 2009 YTD	106	113	113	97	109	111	100	95
Last 4 weeks as % of 2009[1]	97	98	106	73	93	99	106	96
Last 4 weeks as % of 3-yr avg.[1]	85	103	104	85	103	101	94	94
Total 2009	105,278	142,254	483,618	36,912	268,811	1,036,873	200,871	278,997

[1]As 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 Offerings[1] ($/car)[2]

Week ending	Delivery period							
12/11/2010	Dec-10	Dec-09	Jan-11	Jan-10	Feb-11	Feb-10	Mar-11	Mar-10
BNSF[3]								
COT grain units	no bids	no offer	no bids	0	no bids	0	no bids	no bids
COT grain single-car[5]	1	no offer	0 . . 1	0 . . 21	0 . . 2	0 . . 5	0 . . 1	0 . . 5
UP[4]								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	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

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

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

[4]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

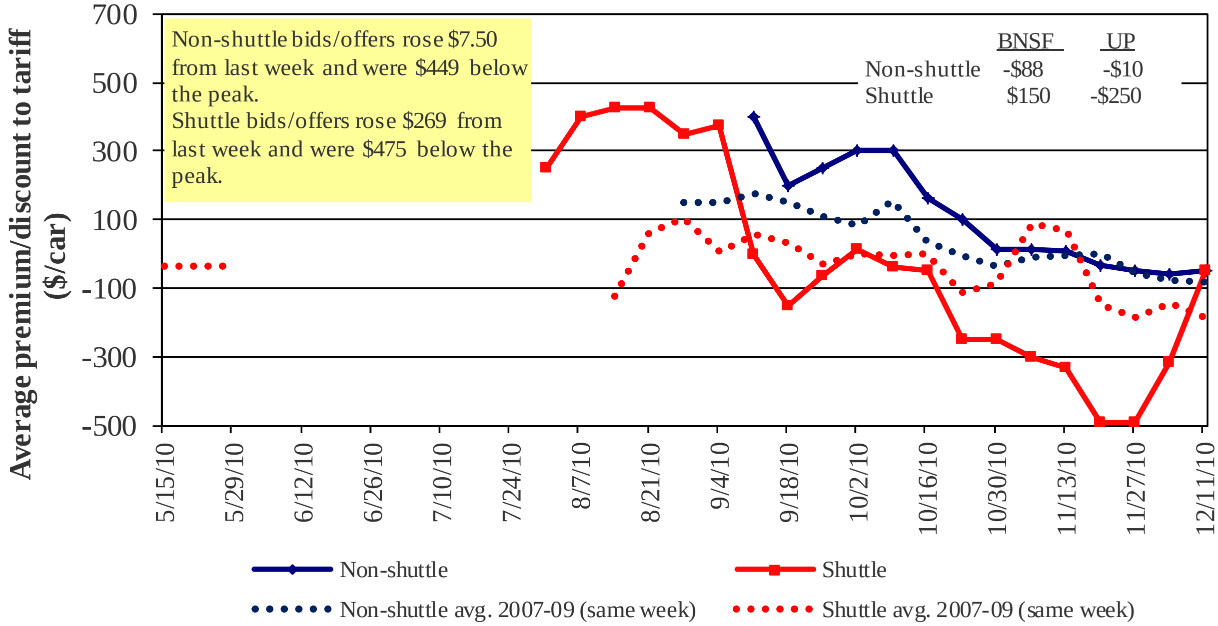
[5]Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/ supply.

Figure 4

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

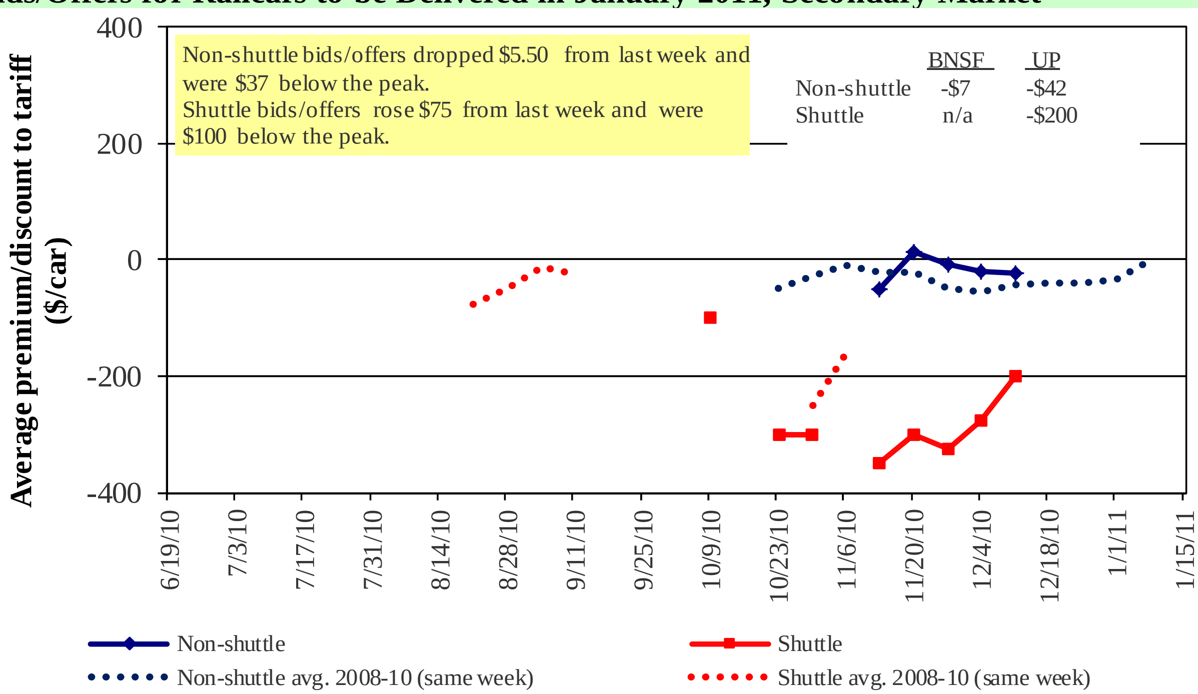


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

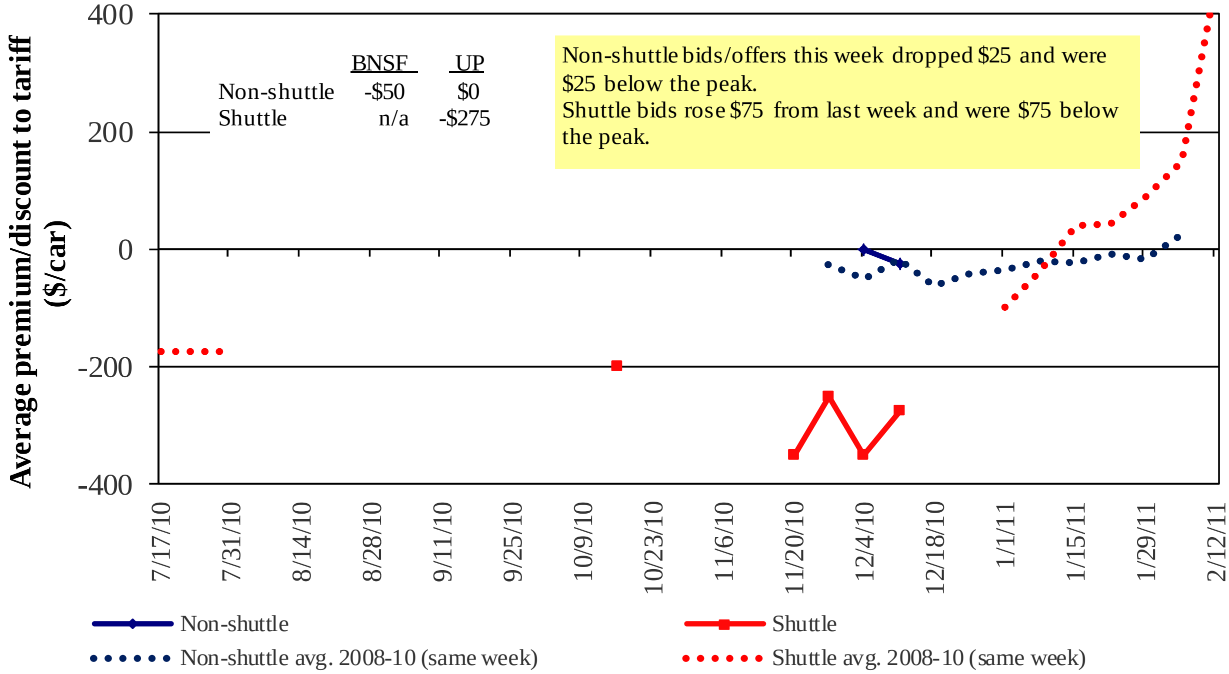


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

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**					
12/11/2010	**Dec-10**	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**
Non-shuttle						
BNSF-GF	(88)	(7)	(50)	n/a	n/a	n/a
Change from last week	(13)	18	n/a	n/a	n/a	n/a
Change from same week 2009	(92)	3	n/a	n/a	n/a	n/a
UP-Pool	(10)	(42)	-	-	n/a	n/a
Change from last week	28	(29)	-	-	n/a	n/a
Change from same week 2009	(10)	(52)	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	150	n/a	n/a	n/a	n/a	n/a
Change from last week	363	n/a	n/a	n/a	n/a	n/a
Change from same week 2009	100	n/a	n/a	n/a	n/a	n/a
UP-Pool	(250)	(200)	(275)	(300)	n/a	n/a
Change from last week	175	75	75	50	n/a	n/a
Change from same week 2009	n/a	(100)	n/a	n/a	n/a	n/a

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

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

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

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

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 12/6/2010	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: 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
Corn	Minneapolis, MN	Portland, OR	$4,120	$851	$49.37	$1.34
	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
Soybeans	Sioux Falls, SD	Tacoma, WA	$4,320	$780	$50.64	$1.38
	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

[1]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.

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

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

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

*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			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	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

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

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

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

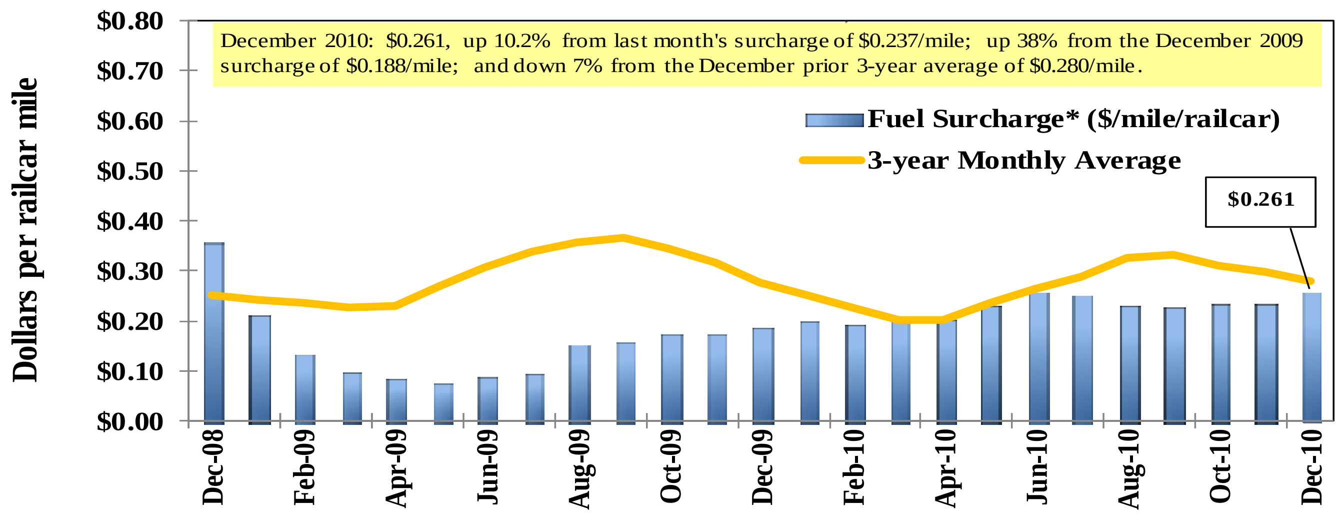
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[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 Average[1]



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

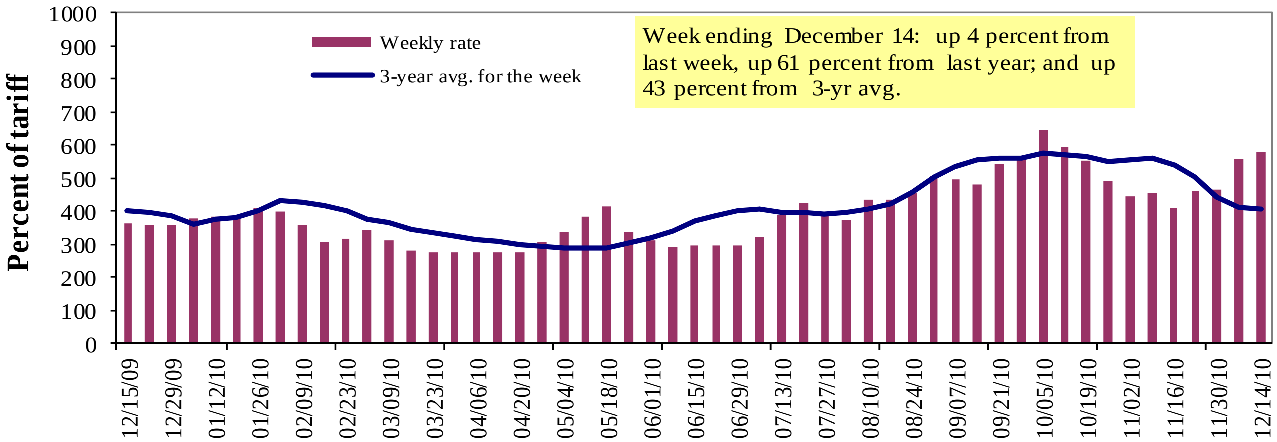
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	12/14/2010	-	-	581	474	494	494	418
	12/7/2010	-	-	559	438	498	498	400
$/ton	12/14/2010	-	-	26.96	18.91	23.17	19.96	13.13
	12/7/2010	-	-	25.94	17.48	23.36	20.12	12.56
Current week % change from the same week:								
	Last year	-	-	61	86	57	57	76
	3-year avg. [2]	-	-	43	44	39	40	45
Rate[1]	January	-	-	463	375	451	451	344
	March	-	-	385	300	370	370	289

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds.

Source: Transportation & Marketing Programs/AMS/USDA

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

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

Figure 9

Benchmark tariff rates

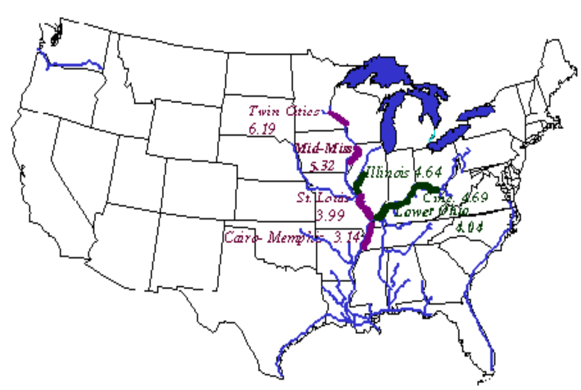
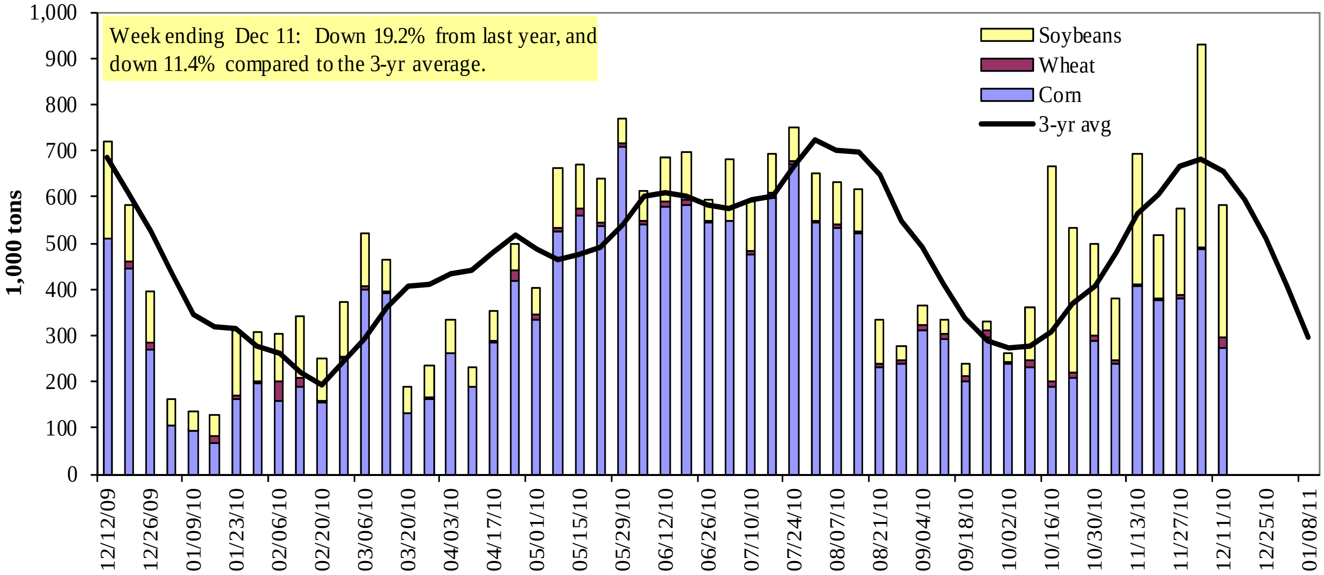


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



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

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 12/11/2010	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	13	0	16	0	29
Winfield, MO (L25)	128	0	160	0	288
Alton, IL (L26)	305	22	271	0	598
Granite City, IL (L27)	274	22	286	0	582
Illinois River (L8)	199	22	106	0	327
Ohio River (L52)	26	7	63	0	96
Arkansas River (L1)	0	0	36	3	39
Weekly total - 2010	300	29	385	3	717
Weekly total - 2009	627	5	326	9	966
2010 YTD[1]	21,769	1,161	9,621	457	33,008
2009 YTD	22,550	1,457	9,974	417	34,398
2010 as % of 2009 YTD	97	80	96	110	96
Last 4 weeks as % of 2009[2]	80	138	86	131	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.

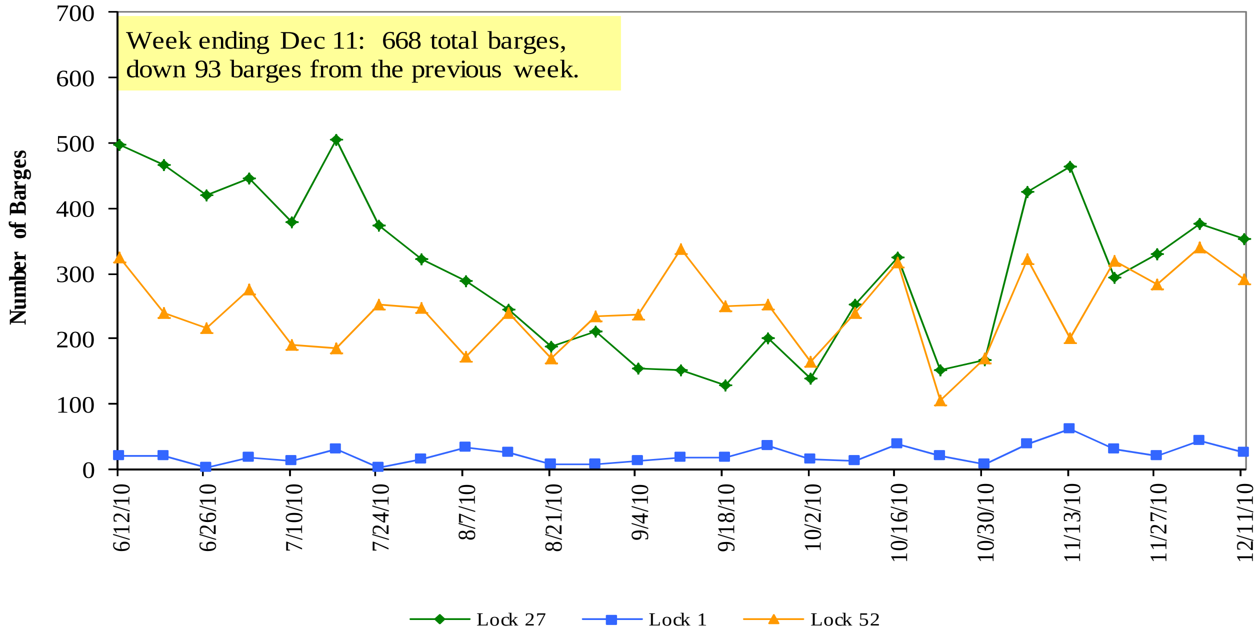
[2] As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

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

Figure 11

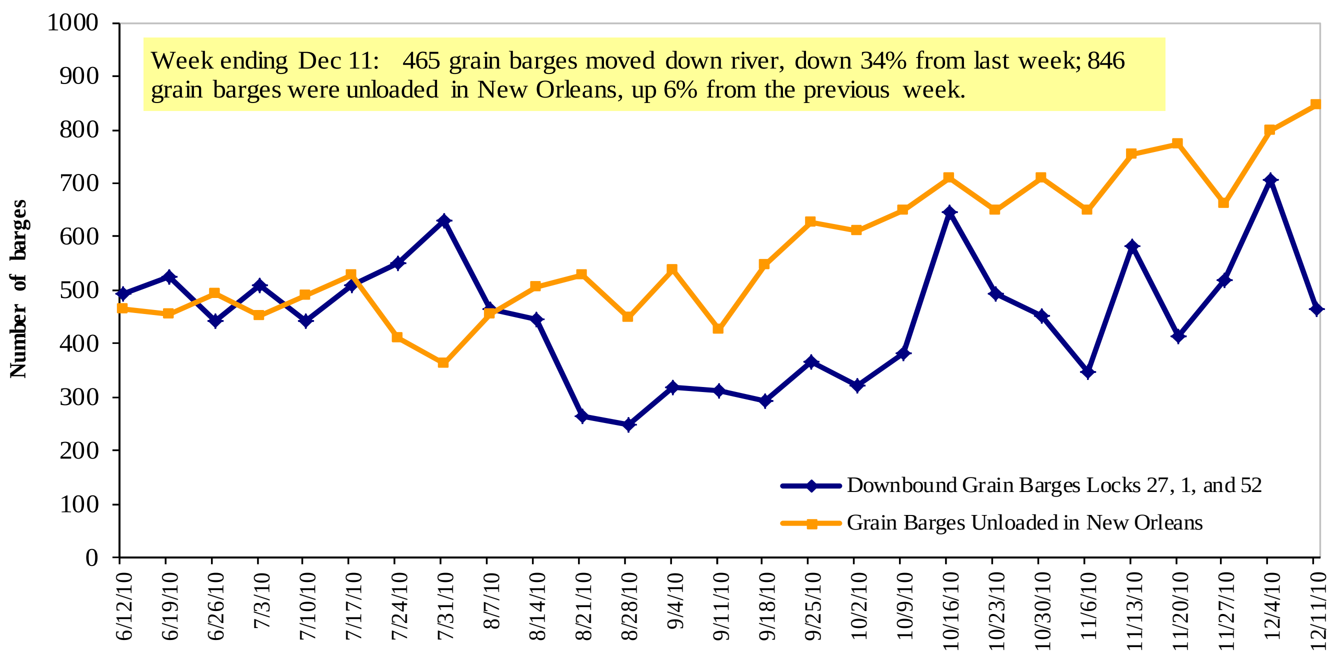
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 12/13/2010 (US $/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	3.248	0.042	0.479
	New England	3.373	0.058	0.503
	Central Atlantic	3.364	0.036	0.496
	Lower Atlantic	3.187	0.043	0.470
II	Midwest[2]	3.205	0.030	0.485
III	Gulf Coast[3]	3.163	0.031	0.464
IV	Rocky Mountain	3.285	0.009	0.502
V	West Coast	3.361	0.040	0.506
	California	3.403	0.051	0.488
Total	U.S.	3.231	0.034	0.483

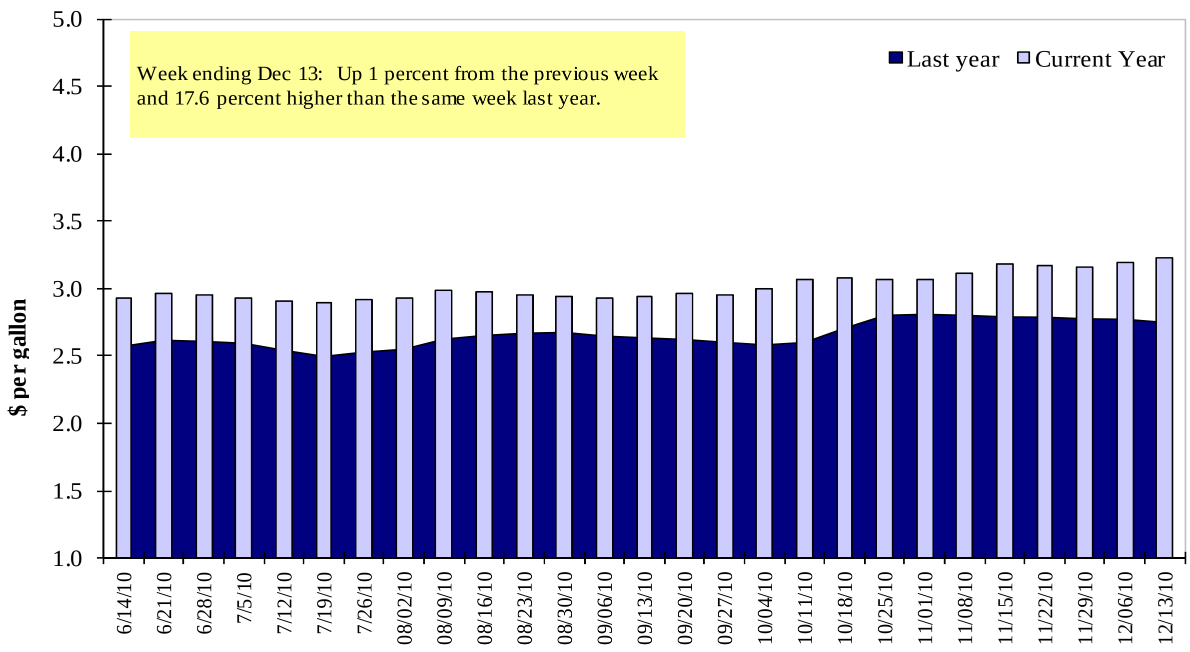
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[2]Same as North Central [3]Same as South Central

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

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



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

Grain Exports

Table 12

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

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
12/2/2010	3,613	802	2,750	1,273	163	8,601	12,365	16,742	37,708
This week year ago	1,467	489	930	725	241	3,851	10,057	13,977	27,885
Cumulative exports-marketing year[2]									
2010/11 YTD	7,156	998	4,057	2,358	568	15,136	11,174	16,659	42,969
2009/10 YTD	3,980	1,675	2,700	2,176	640	11,171	11,365	14,584	37,120
YTD 2010/11 as % of 2009/10	180	60	150	108	89	135	98	114	116
Last 4 wks as % of same period 2008/09	251	147	284	181	81	221	123	127	139
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 Importers[1] of U.S. Corn

Week ending 12/02/10	Total Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
Japan	6,669	5,863	14	14,343
Mexico	3,362	3,980	(16)	7,999
Korea	3,094	3,013	3	7,562
Taiwan	1,177	1,229	(4)	2,949
Egypt	1,633	640	155	2,935
Top 5 importers	**15,935**	**14,725**	**8**	**35,788**
Total US corn export sales[4]	**23,539**	**21,422**	**10**	**50,460**
% of Projected	48%	42%		
Change from Last Week	671	848		
Top 5 importers' share of U.S. corn export sales	68%	69%		
USDA forecast, December 2010	**49,530**	**50,460**	**(2)**	
Corn Use for Ethanol USDA forecast, Ethanol December 2010	**121,920**	**116,027**	**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: 116,000 mt on 12/6 to Unknown for 2010/11.

Table 14

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

Week ending 12/02/10	**Commitments[2]**		**% change**	**Exports[3]**
	2010/11	**2009/10**	**current MY**	
	Current MY	**Last MY**	**from last MY**	**2009/10**
	- 1,000 mt -			- 1,000 mt -
China[4]	21,255	17,572	21	22,454
Mexico	1,516	1,216	25	3,276
Japan	1,094	1,316	(17)	2,347
EU-25	1,209	1,088	11	2,647
Taiwan	738	979	(25)	1,556
Top 5 importers	**25,812**	**22,170**	**16**	**32,280**
Total US soybean export sales	**33,401**	**28,561**	**17**	**40,850**
% of Projected	77%	70%		
Change from last week	638	928		
Top 5 importers' share of U.S. soybean export sales	77%	78%		
USDA forecast, December 2010	**43,270**	**40,850**	**6**	
Soybean Use for Biodiesel USDA forecast, December 2010	**6,954**	**4,076**	**71**	

(n) indicates negative number.

[1]Based on FAS 2008/09 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: 116,000 mt on 12/6 to China for 2010/11.

Table 15

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

Week Ending 12/02/2010	**Total Commitments[2]**		**% change**	**Exports[3]**
	2010/11	**2009/10**	**current MY**	
	Current MY	**Last MY**	**from last MY**	**2009/10**
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,180	2,111	3	3,233
Japan	2,443	1,969	24	3,148
Mexico	2,031	1,255	62	1,975
Philippines	1,719	1,248	38	1,518
Korea, South	1,233	782	58	1,111
Taiwan	553	574	(4)	844
Venezuela	402	362	11	658
Colombia	522	427	22	575
Peru	670	366	83	567
Egypt	2,344	456	415	529
Top 10 importers	**14,096**	**9,549**	**48**	**14,156**
Total US wheat export sales[4]	**23,737**	**15,022**	**58**	**23,980**
% of Projected	70%	63%		
Change from last week	536	245		
Top 10 importers' share of U.S. wheat export sales	59%	64%		
USDA forecast, December 2010	**34,020**	**23,980**	**42**	

(n) indicates negative number.

[1]Based on FAS **2008/09** Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

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

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

[4]Not 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 12/09/10	Previous Week[1]	Current Week as % of Previous	2010 YTD[1]	2009 YTD[1]	2010 YTD as % of 2009 YTD	Last 4-weeks as % of 2009	Last 4-weeks as % of 3-yr. avg.	Total[1] 2009
Pacific Northwest									
Wheat	280	174	161	10,460	9,617	109	109	104	10,091
Corn	225	232	97	9,405	7,867	120	133	91	8,498
Soybeans	244	247	99	9,380	9,207	102	60	86	9,743
Total	**750**	**653**	**115**	**29,245**	**26,691**	**110**	**84**	**92**	**28,332**
Mississippi Gulf									
Wheat	88	165	54	3,902	3,893	100	170	114	4,019
Corn	571	354	161	28,117	27,824	101	108	90	28,843
Soybeans	593	812	73	20,468	19,578	105	95	116	21,831
Total	**1,253**	**1,332**	**94**	**52,487**	**51,295**	**102**	**102**	**105**	**54,693**
Texas Gulf									
Wheat	48	151	32	8,693	5,446	160	145	127	5,735
Corn	0	0	n/a	1,746	1,928	91	81	87	1,968
Soybeans	0	57	0	1,690	2,129	79	39	116	2,402
Total	**48**	**208**	**23**	**12,130**	**9,502**	**128**	**82**	**118**	**10,105**
Great Lakes									
Wheat	41	82	50	1,827	965	189	191	162	990
Corn	0	0	n/a	100	319	31	0	0	353
Soybeans	31	25	126	567	781	73	47	82	781
Total	**72**	**107**	**68**	**2,494**	**2,065**	**121**	**97**	**103**	**2,124**
Atlantic									
Wheat	0	0	0	314	551	57	40	1	552
Corn	4	0	n/a	440	461	96	51	26	472
Soybeans	28	29	96	1,198	1,027	117	39	73	1,268
Total	**32**	**29**	**110**	**1,953**	**2,039**	**96**	**40**	**56**	**2,292**
U.S. total from ports[2]									
Wheat	458	572	80	25,197	20,472	123	136	116	21,387
Corn	801	586	137	39,808	38,398	104	109	86	40,134
Soybeans	896	1,170	77	33,304	32,722	102	74	105	36,025
Total	**2,155**	**2,329**	**93**	**98,309**	**91,591**	**107**	**92**	**101**	**97,546**

[1] Data includes revisions to prior weeks, which could be substantial; some regional totals may not add exactly due to rounding.

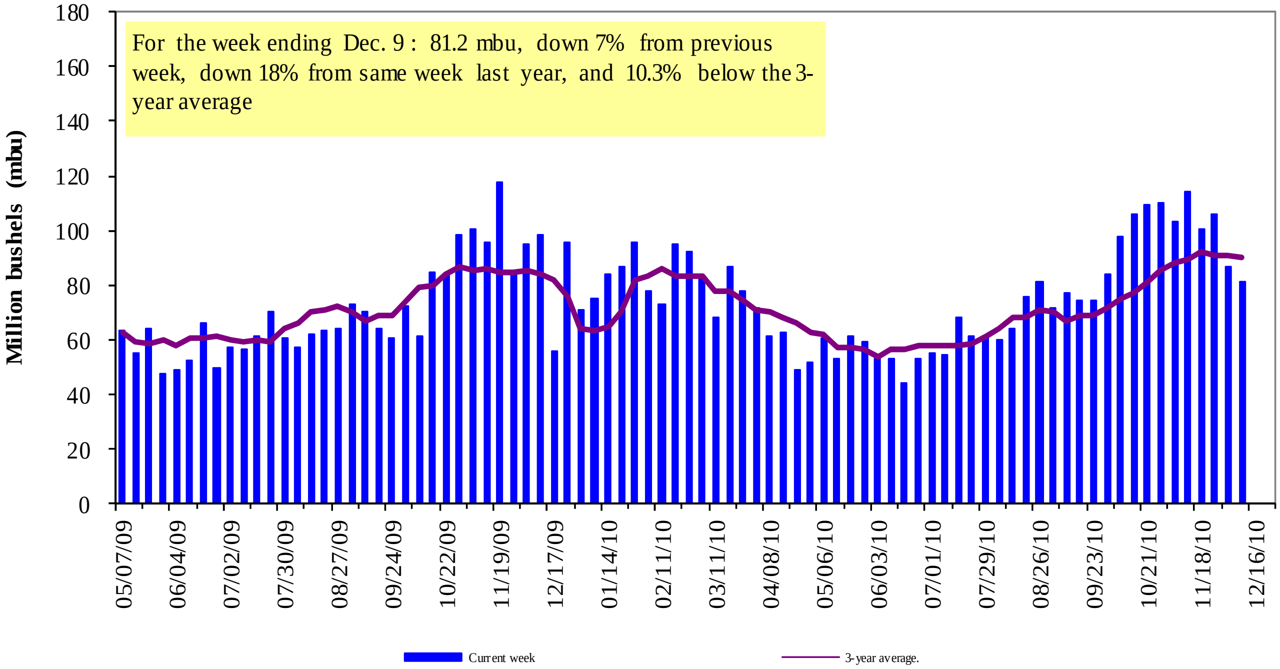
[2] Total includes only port regions shown above

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)

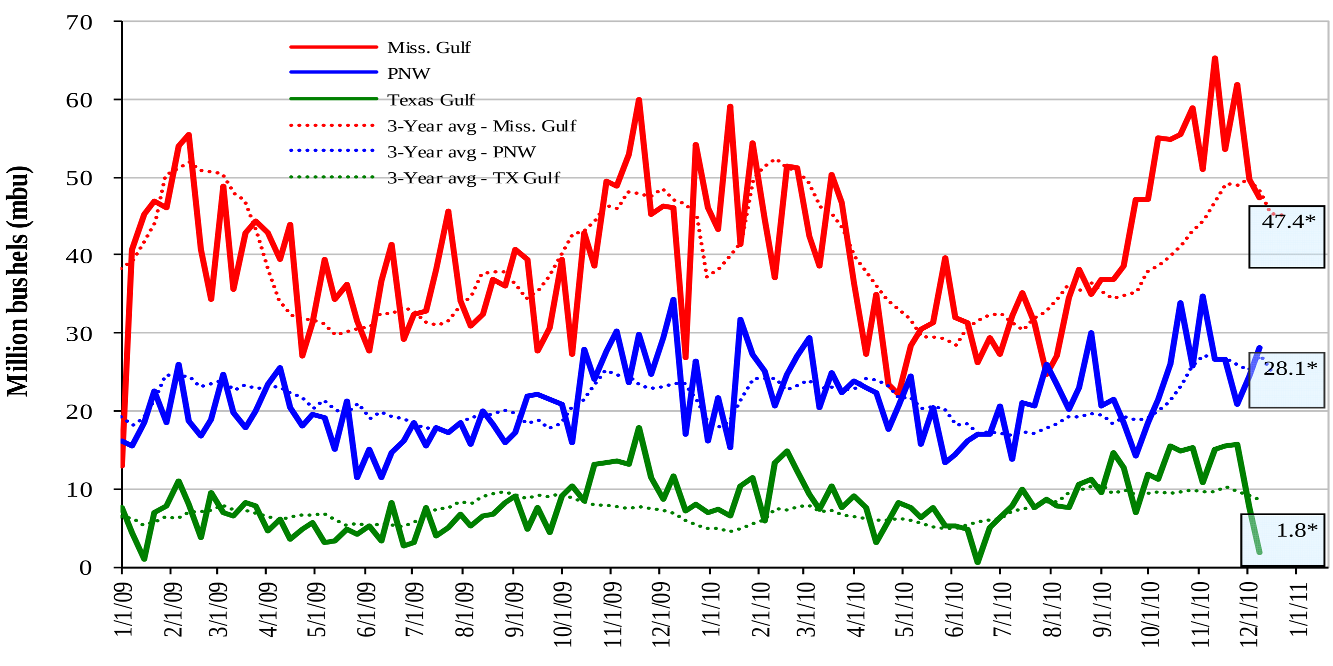


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



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

Dec 9, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 5	down 23	down 14	up 14
Last year (same week)	up 3	down 15	down 15	down 18
3-yr avg. (4-wk mov. avg.)	down 1	down 20	down 13	down 11

Ocean Transportation

Table 17

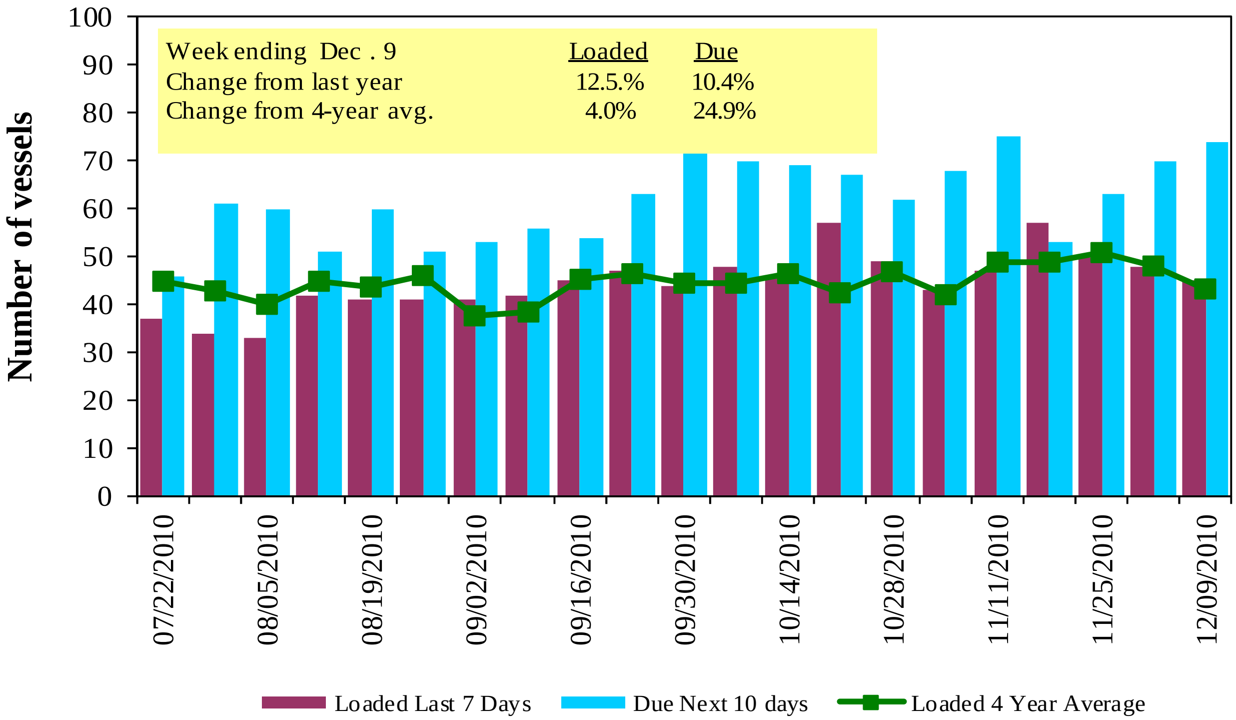
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
12/9/2010	35	45	74	20	13
12/2/2010	35	48	70	24	11
2009 range	(18..72)	(21..57)	(37..86)	(2..19)	(3..19)
2009 avg.	37	39	55	10	9

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

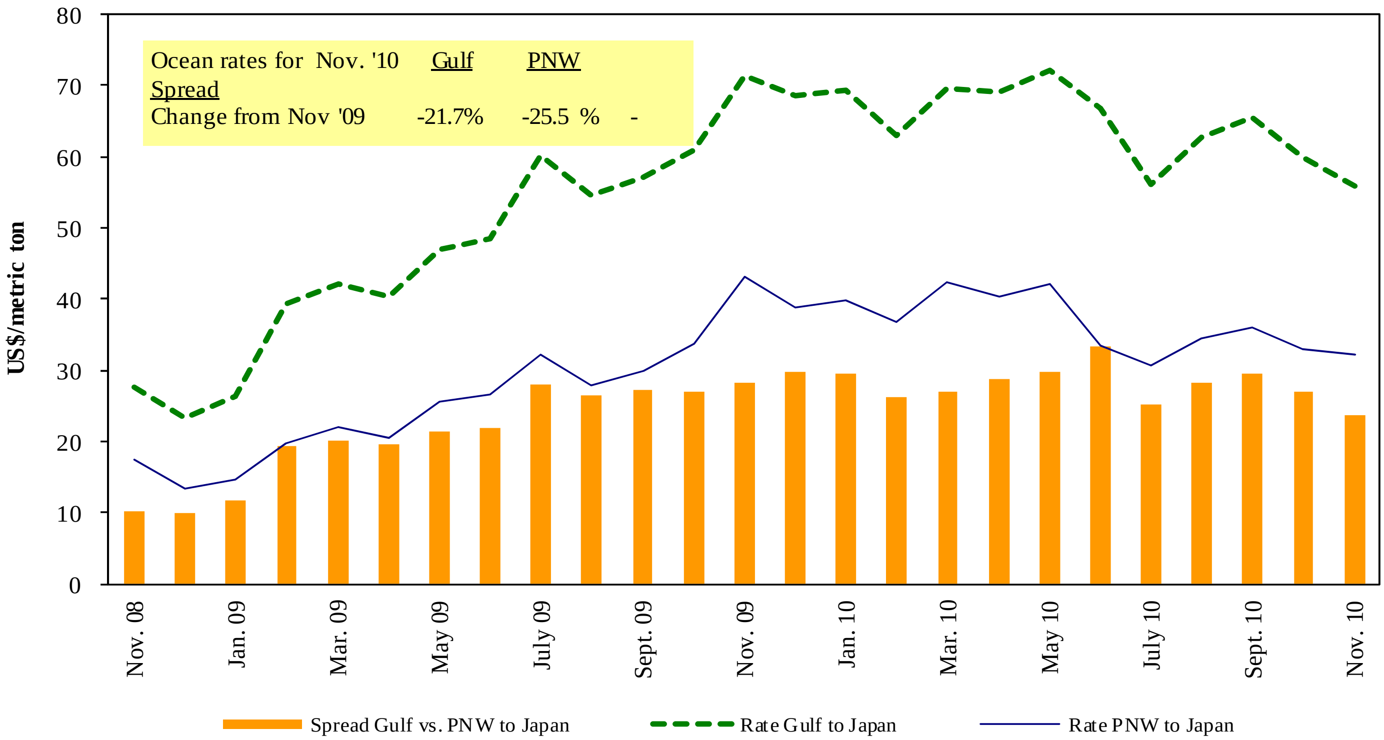


Source:Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 12/11/2010

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 22/31	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 20/30	55,000	57.00
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	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

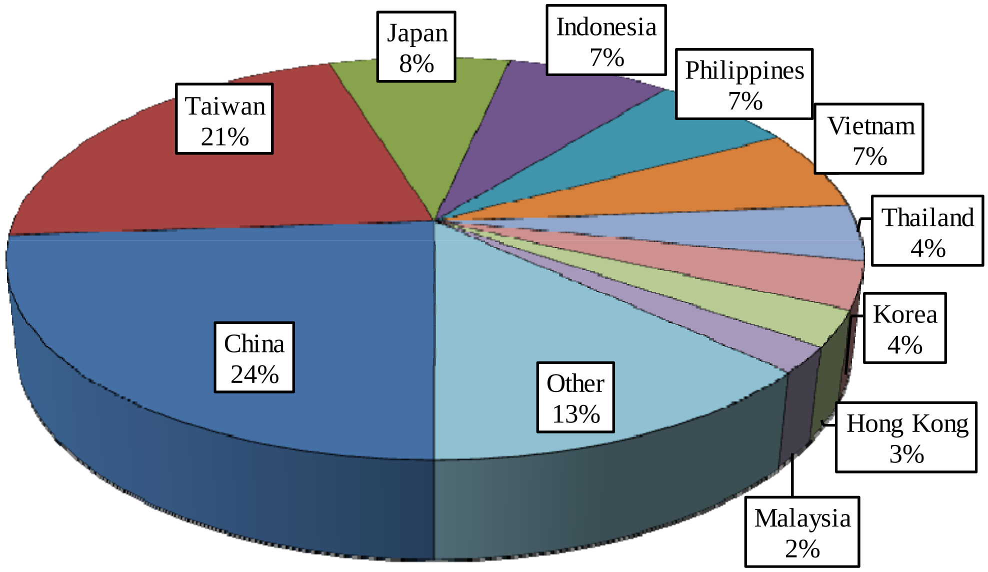
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1] 75 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, September 2010

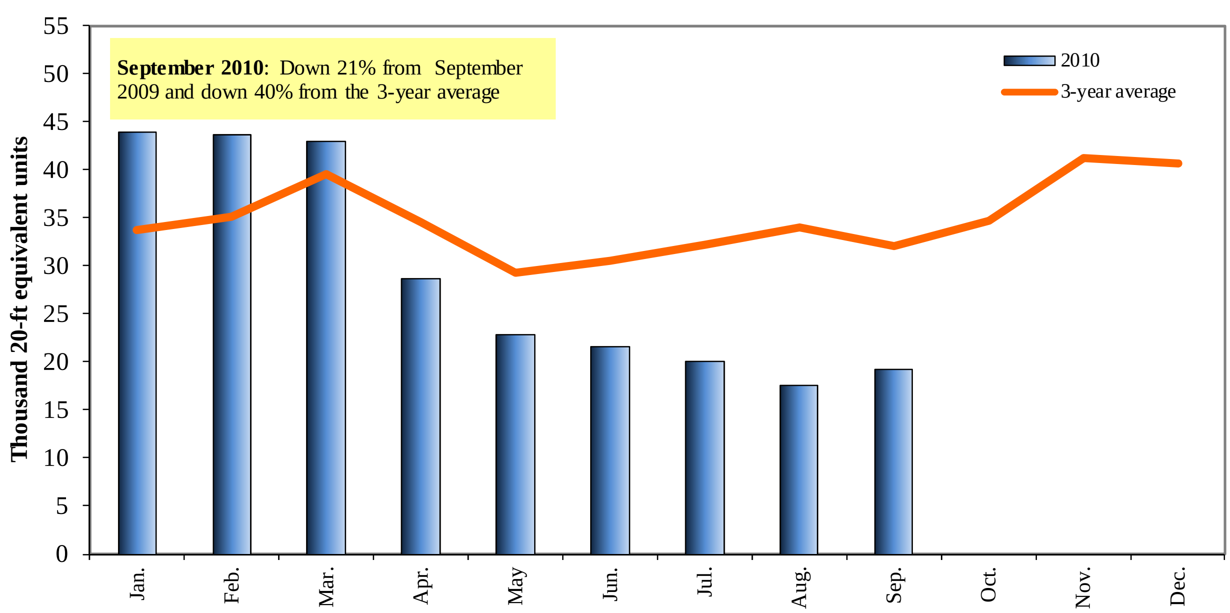


Source: Port Import Export Reporting Service (PIERS)

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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