



Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
www.ams.usda.gov/GTR

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WEEKLY HIGHLIGHTS

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Grain Truck/Ocean
Rate Advisory

Data Links

Specialists

Subscription
Information

The next
release is
July 30, 2015

Panama Canal Expansion Moves a Step Closer to Completion

On July 6, the Panama Canal Authority (ACP) began flooding the Cocoli Locks on the Pacific side after a similar and successful effort on the Agua Clara Locks on the Atlantic side earlier in the month. This step marks the beginning of compliance and operational testing for the project. The flooding process involves using powerful electric pumps to provide 30,000 gallons of water per minute, and 13 diesel pumps to provide an additional 7,000 gallons each per minute. The flooding and testing of the new Pacific locks is expected to be complete within 90 days. The Panama Canal expansion program was 89.8 percent complete as of the end of May.

Grain Inspections Highest Since April

For the week ending July 16, **total inspections of grain** (corn, wheat, soybeans) from all major export regions reached 1.90 million metric tons (mmt), up 21 percent from the past week, 23 percent higher than last year, and 43 percent above the 3-year average. Total inspections of grain were also the highest since late April. Wheat and soybean inspections rebounded, increasing 68 and 97 percent, respectively, from the previous week. Corn inspections remained over 1.0 mmt, decreasing only 1 percent from the past week. Pacific Northwest grain inspections jumped 89 percent and Mississippi Gulf grain inspections increased 16 percent from the previous week.

Constant Rain Continuing to Keep River Levels High

According to USDA's World Agricultural Outlook Board, locally heavy showers continue to affect parts of the central Plains and the Midwest, including some of the waterlogged areas of the eastern Corn Belt. Meanwhile, temperatures and moisture conditions across the remainder of the Midwest remained nearly ideal for corn and soybeans. The Illinois River at Meredosia, IL, reached a record 28.83 feet on July 2, 11.83 feet above flood stage. As of July 22, river levels at Meredosia are at 25.6 feet and dropping. However, the water levels at this location are expected to remain above the flood stage (17 feet) and the 20-year average level of 7 feet for the near future. For an analysis of the flood conditions on grain barge movements, see the barge section of this week's feature article.

Snapshots by Sector

Export Sales

During the week ending July 9, **unshipped balances** of wheat, corn, and soybeans totaled 15.7 mmt, down 1 percent from the same time last year. Net weekly **wheat export sales** of 0.291 mmt were down 16 percent from the prior week. **Corn export sales** of 0.331 mmt were down 38 percent from the prior week. **Soybean net sales**, at .045 mmt, were up 10 percent.

Rail

U.S. Class I railroads originated 18,500 **carloads of grain** during the week ending July 11, up 0.5 percent from last week, up 8 percent from last year, and up 15 percent from the 3-year average.

During the week ending July 16, average August shuttle **secondary railcar bids/offers per car** were \$113 below tariff, up \$37 from last week, and \$1,882 lower than last year. Non-shuttle secondary railcar bids/offers were \$63 below tariff, up \$12 from last week, and \$813 lower than last year.

Barge

During the week ending July 18, **barge grain movements** totaled 727,546 tons—about the same as the previous week, and 72 percent higher than the same period last year.

During the week ending July 11, 469 grain barges **moved down river**, up 3 percent from last week; 508 grain barges were **unloaded in New Orleans**, down 17 percent from the previous week.

Ocean

During the week ending July 16, 30 **ocean-going grain vessels** were loaded in the Gulf, 3 percent less than the same period last year. Fifty vessels are expected to be loaded within the next 10 days, 52 percent more than the same period last year.

During the week ending July 17, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$36 per metric ton (mt), up 11 percent from the previous week. The cost of shipping from the PNW to Japan was \$19.50 per mt, up 5 percent from the previous week.

Fuel

During the week ending July 20, U.S. average **diesel fuel prices** decreased 3 cents from the previous week to \$2.78 per gallon—down \$1.09 from the same week last year

Grain Transportation Update

USDA’s current grain export projections and relatively unchanged domestic use indicate a fairly stable demand pattern for grain transportation this fall. According to the July World Agricultural Supply and Demand Estimates (WASDE) report, USDA projected corn and soybean production to be lower than the previous year, based on lower corn acreage and lower corn and soybean yields. Wheat production, however, is forecast to be higher based on increased spring wheat production that more than offsets decreases for Hard Red Winter, Soft Red Winter, and White Wheat production. USDA also projected lower soybean exports, but slightly higher total grain exports for the 2015/16 crop year. Meanwhile, recent grain rail service has remained adequate and secondary railcar rates in 2015 have remained below those from last year, generally trading close to average historical rates. Despite periods of unfavorable navigation conditions earlier in the year, grain barge movements have been above average. More recently, flood conditions have stalled traffic, especially on the Illinois River. Bulk ocean freight rates and diesel fuel prices generally remained low and were lower than what they were this same time last year.

Many grain producers have taken advantage of increased storage options during this period of relatively low grain prices in hopes of maximizing the prices that they receive in the future. Increased storage options, as well as relatively weak grain exports compared to historical levels and 2 years of bumper crops, have resulted in higher grain stocks. June 1 corn stocks are up 15 percent, soybean stocks are up 54 percent, and wheat stocks are up 28 percent from the same time last year.

USDA Projects Slightly Higher Total Grain Exports, but Lower Soybean Exports in 2015/16

According to the July WASDE report, USDA projected a slightly lower 2015/16 production of corn, soybeans, and wheat (19.6 billion bushels), but slightly higher exports of the three crops (4.6 billion bushels) compared to 2014/15 (see table 1). Soybean production is projected to be up 35 million bushels from the June forecast due to increased estimated harvested area; soybean production is projected to be 84 million bushels lower than the previous year. Wheat production is forecast to be 122 million bushels higher than last year based on increased spring wheat production that more than offsets decreases for Hard Red Winter, Soft Red Winter, and White Wheat production.

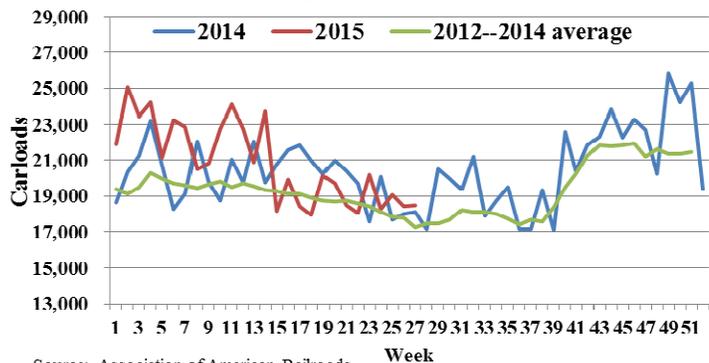
	Corn	Soybeans	Wheat	Total	Y/Y
2015/16 (Projected)					
Production	13,530	3,885	2,148	19,563	-3.2%
Exports	1,875	1,775	950	4,600	1.5%
Domestic Use	11,860	1,969	1,239	15,068	0.4%
Ending Stocks/Use	12%	11%	38%		
2014/15 (Estimated)					
Production	14,216	3,969	2,026	20,211	4.6%
Exports	1,850	1,825	855	4,530	-4.4%
Domestic Use	11,846	2,011	1,152	15,009	2.6%
Ending Stocks/Use	13%	7%	38%		
2013/14					
Production	13,829	3,358	2,135	19,322	
Exports	1,917	1,647	1,176	4,740	
Domestic Use	11,537	1,831	1,255	14,623	
Ending Stocks/Use	9%	3%	24%		

Total grain exports are expected to increase by 70 million bushels in 2015/16. Soybean exports are expected to decrease by 50 million bushels from 2014/15, as USDA expects competition from record supplies in South America to limit U.S. soybean exports during the first half of the 2015/16 marketing year. In recent years, soybean exports dominated grain transportation demand during the fall harvest. However, the current grain export projections and relatively unchanged domestic use indicate a fairly stable demand pattern for grain transportation in the fall.

Grain Rail Service Remains Adequate

Secondary railcar rates in 2015 have remained below those from last year and have generally been trading close to average, indicating adequate graincar supply. Currently, average bids for shuttle service are trading at \$113 per car below the tariff rate—\$1,882 below last year, and \$221 below the 3-year average. However, secondary rates for October are \$650 above tariff, indicating increasing demand for the upcoming harvest. As of July 11, a total of 562,869 graincars have been loaded during the first 27 weeks of 2015 on Class I railroads in the United States, 4 percent higher than the same period last year and 11 percent higher than the 3-year average (see figure 1). Graincar loadings have slowed down during the last 4 weeks, falling 26 percent below this year’s peak, but were still 5 percent more than this week last year, and 7 percent more than the 3-year average (see figure 1).

Figure 1: Weekly U.S. Class I Graincar Loadings



Source: Association of American Railroads

2015 Grain Barge Tonnages Above Average Despite Continued Periods of Unfavorable Navigation Conditions

As of July 18, year-to-date barge grain tonnages¹ reached 18.2 million tons, nearly the same as last year at this time, but 13 percent higher than the 5-year average. The increase occurred despite weather-related conditions that challenged navigation capabilities on the Mississippi, Illinois, Ohio, and Arkansas Rivers. Currently, there is a backlog of traffic on the Illinois River as shippers wait for an extended dry period to lower river levels and allow passage through the flooded areas.

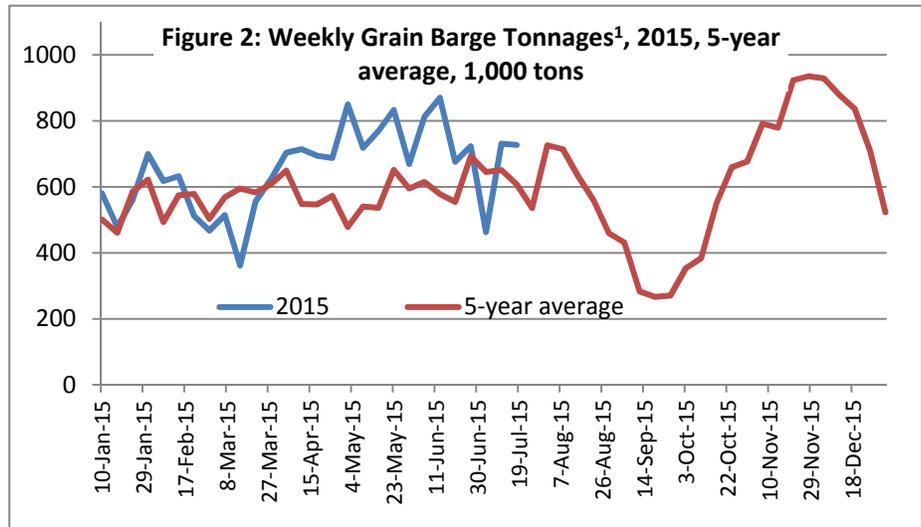


Figure 2 shows a significant increase in grain tonnages during late March when weekly tonnages were consistently above average. There was a dip in grain tonnages moved during the beginning of July when several Mississippi River and Illinois River locks were closed for several days due to high water. Conditions on the Upper Mississippi have improved, but high water has stopped Illinois River traffic. Tonnages moved from the Upper Mississippi River have increased and helped offset delays in tonnages moved due to the closed Illinois River. Water levels on portions of the lower Mississippi River have increased to near, or in some cases above, flood levels, slowing barge operations from Cairo, IL, to New Orleans, LA. While the flooding has stalled river traffic, barge rates have declined in recent weeks, as barges have already been delivered or allocated to shippers. With relatively no new demand for barges, there has been no upward pressure on barge rates. However, once the backlog is cleared, rates could move upward again, especially if new demand surfaces.

Ocean Freight Rates Fell During the First Half of 2015

Ocean freight rates for shipping bulk commodities, including grain, have remained low so far in 2015. As of July 17, the cost of shipping bulk grain from the U.S. Gulf to Japan was \$36 per metric ton (mt), an 8 percent decline from the beginning of the year and 15 percent lower than the same period last year. The cost of shipping from the Pacific Northwest was \$19.50 per mt, a 7 percent decline from the beginning of the year and a 17 percent decline from the same period last year. The rates are 25 and 26 percent lower than their 4-year averages, respectively. Meanwhile, excess vessel supply continues in the bulk shipping market. Despite a drop in iron ore prices and strong grain freight demand from South America, it will take a while for the bulk ocean freight rates to significantly increase due to excess vessel supply and lagging demand.

Diesel Fuel Prices Experiencing Summer Slowdown

During the week ending July 20, diesel fuel prices decreased 3 cents to \$2.78 per gallon—prices have fallen 13 cents over the past 8 weeks. The market is just 3 cents shy of recovering the full 16 cents per gallon lost during the 6 consecutive weeks of price increases in April and May. The Energy Information Administration reported crude oil prices fell slightly in June while global crude oil inventories have increased during the summer months allowing prices to fall. GTRContactUs@ams.usda.gov

¹ As measured by down-bound tonnages at Mississippi River Locks 27, Ohio River Locks and Dam 52, and Arkansas River Lock and Dam 1. Data is provided by the U.S. Army Corps of Engineers

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
07/22/15	187	251	208	208	161	138
07/15/15	189	249	210	212	145	131

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

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

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

Commodity	Origin--Destination	7/17/2015	7/10/2015
Corn	IL--Gulf	-0.71	-0.72
Corn	NE--Gulf	-0.82	-0.83
Soybean	IA--Gulf	-1.07	-1.26
HRW	KS--Gulf	-1.21	-1.19
HRS	ND--Portland	-1.90	-2.17

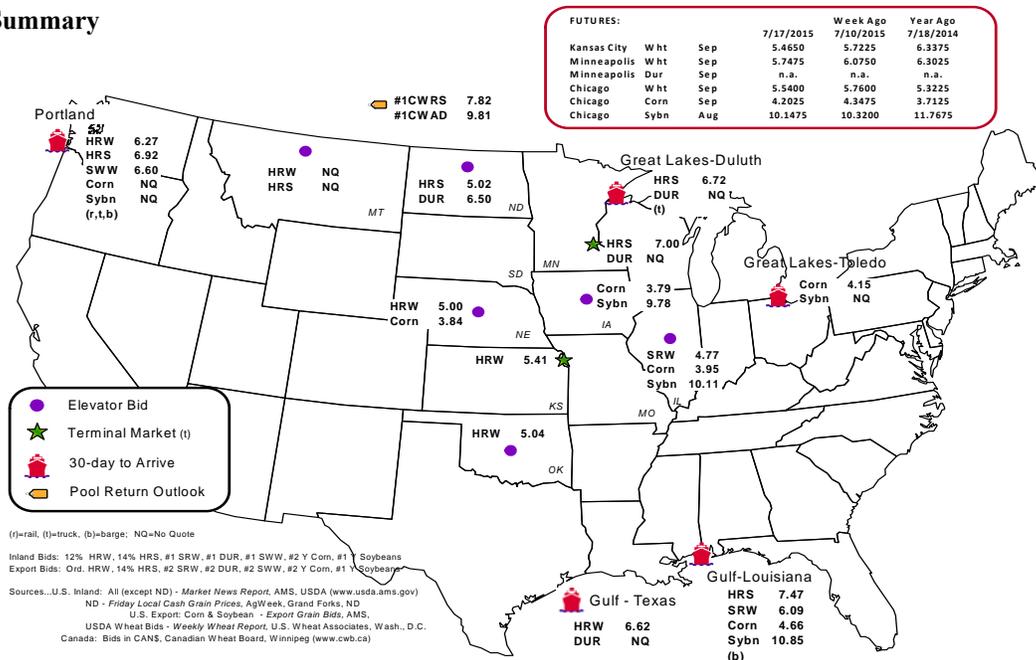
Note: nq = no quote

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		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
7/15/2015 ^p	147	333	3,019	352	3,851	7/11/2015	1,938
7/08/2015 ^r	193	369	3,538	344	4,444	7/4/2015	2,002
2015 YTD ^f	11,939	35,472	120,879	14,051	182,341	2015 YTD	49,724
2014 YTD ^f	20,431	46,764	129,298	16,193	212,686	2014 YTD	53,080
2015 YTD as % of 2014 YTD	58	76	93	87	86	% change YTD	94
Last 4 weeks as % of 2014 ²	458	50	90	248	88	Last 4wks % 2014	108
Last 4 weeks as % of 4-year avg. ²	182	52	114	166	102	Last 4wks % 4 yr	116
Total 2014	44,621	83,674	256,670	32,107	417,072	Total 2014	96,467
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	71,397

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2013 and prior 4-year average.

³ Cross-border weekly data is approximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

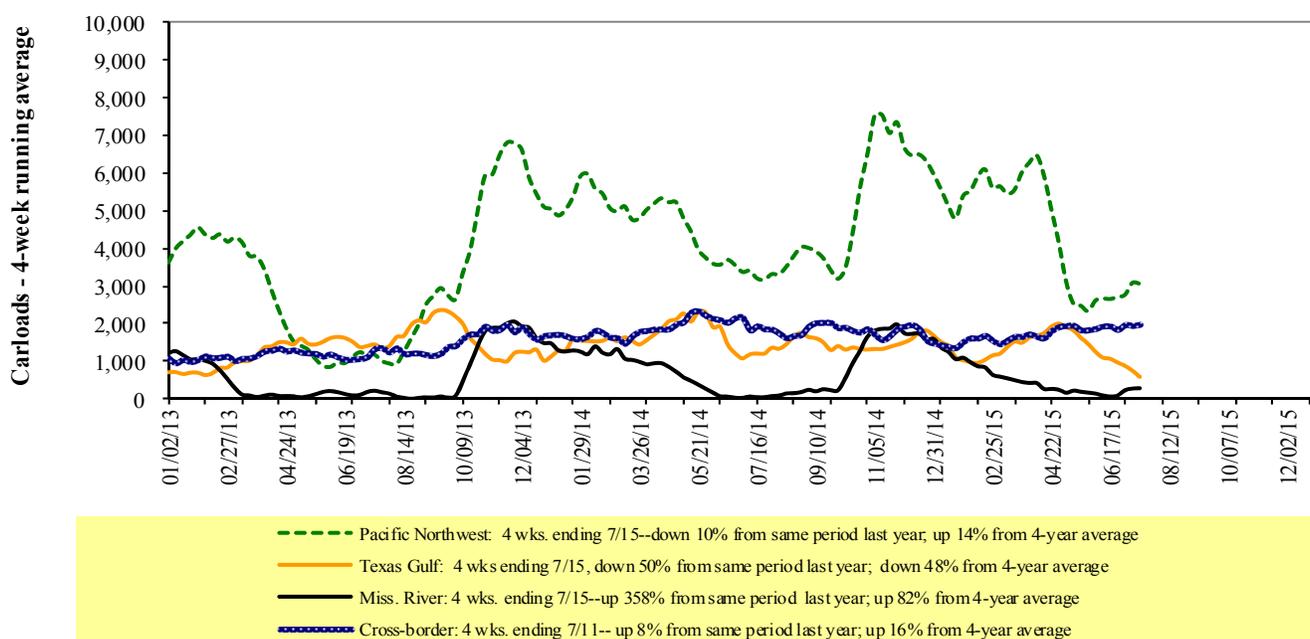
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 24 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

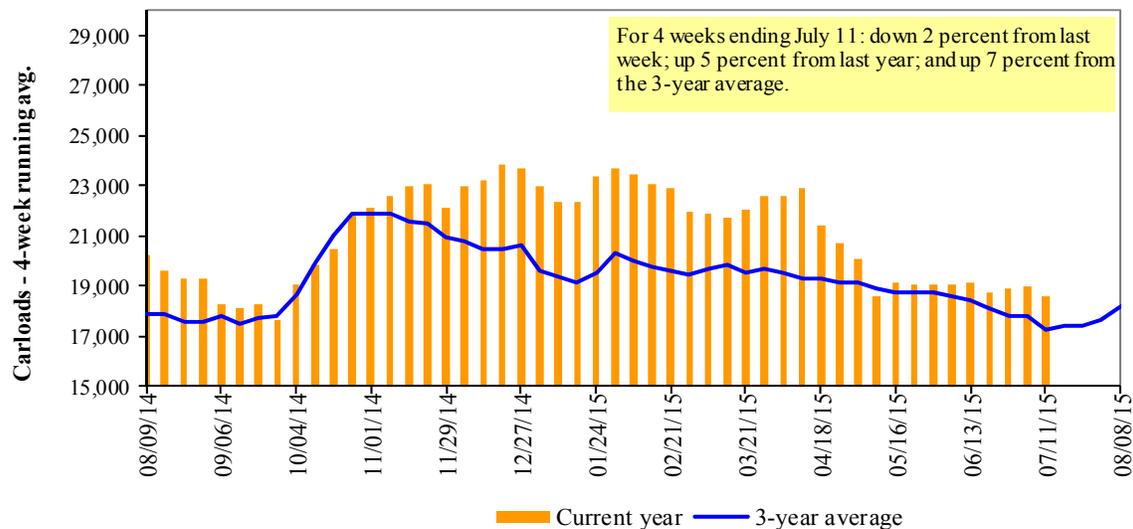
Table 4

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

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
07/11/15	1,950	2,985	8,506	632	4,427	18,500	3,746	4,340
This week last year	1,833	3,083	6,578	729	4,901	17,124	4,429	4,876
2015 YTD	55,340	81,780	263,715	23,665	138,369	562,869	110,938	118,629
2014 YTD	50,786	79,737	235,076	23,422	152,238	541,259	119,201	142,580
2015 YTD as % of 2014 YTD	109	103	112	101	91	104	93	83
Last 4 weeks as % of 2014 ¹	104	102	109	112	98	105	89	89
Last 4 weeks as % of 3-yr avg. ²	126	101	104	150	106	107	110	98
Total 2014	103,331	153,771	482,431	47,510	297,969	1,085,012	242,616	276,322

¹The past 4 weeks of this year as a percent of the same 4 weeks last year.

²The past 4 weeks as a percent of the same period from the prior 3-year average. YTD = year-to-date.

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

Source: Association of American Railroads

Table 5

Railcar Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Aug-15	Aug-14	Sep-15	Sep-14	Oct-15	Oct-14	Nov-15	Nov-14
7/16/2015								
BNSF ³								
COT grain units	17	no offer	12	2708	19	2849	2	no offer
COT grain single-car ⁵	0..7	no offer	0..2	2717..3166	3	2801..2996	3	no offer
UP ⁴								
GCAS/Region 1	no bids	334	no bids	no offer	no bids	no offer	n/a	n/a
GCAS/Region 2	no bids	751	no bids	no offer	no bids	no offer	n/a	n/a

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.

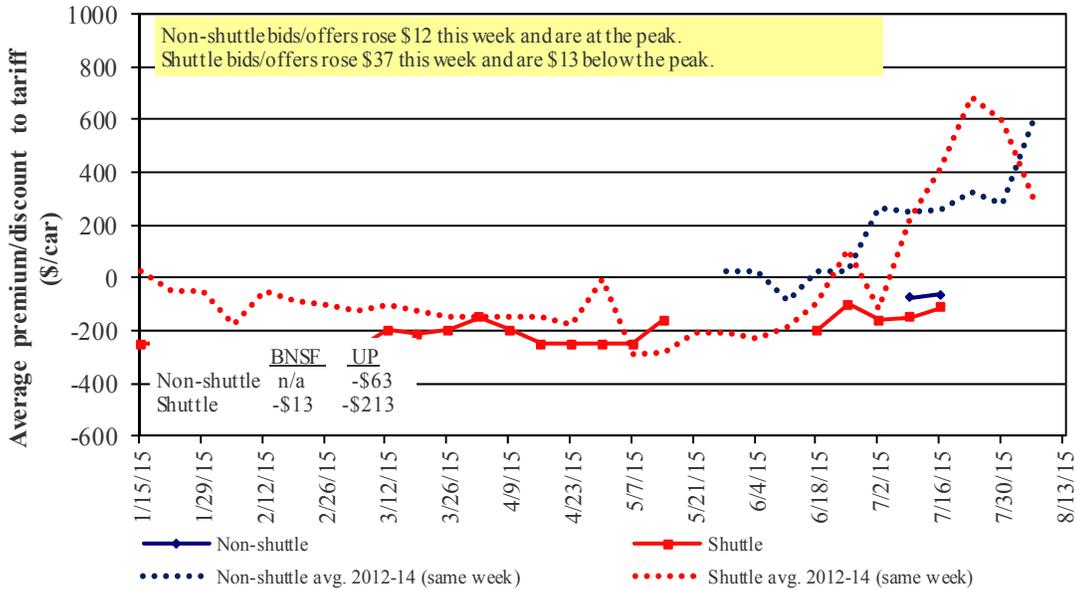
 Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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

Source: Transportation & Marketing Programs/AMSUSDA.

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.

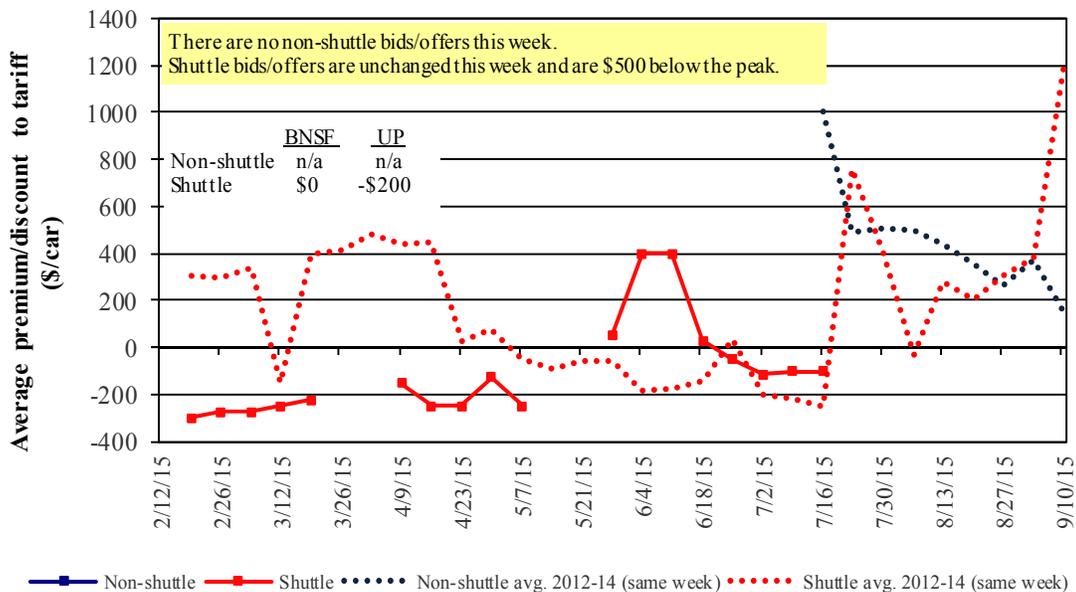
Figure 4
Bids/Offers for Railcars to be Delivered in August 2015, Secondary Market



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 September 2015, Secondary Market

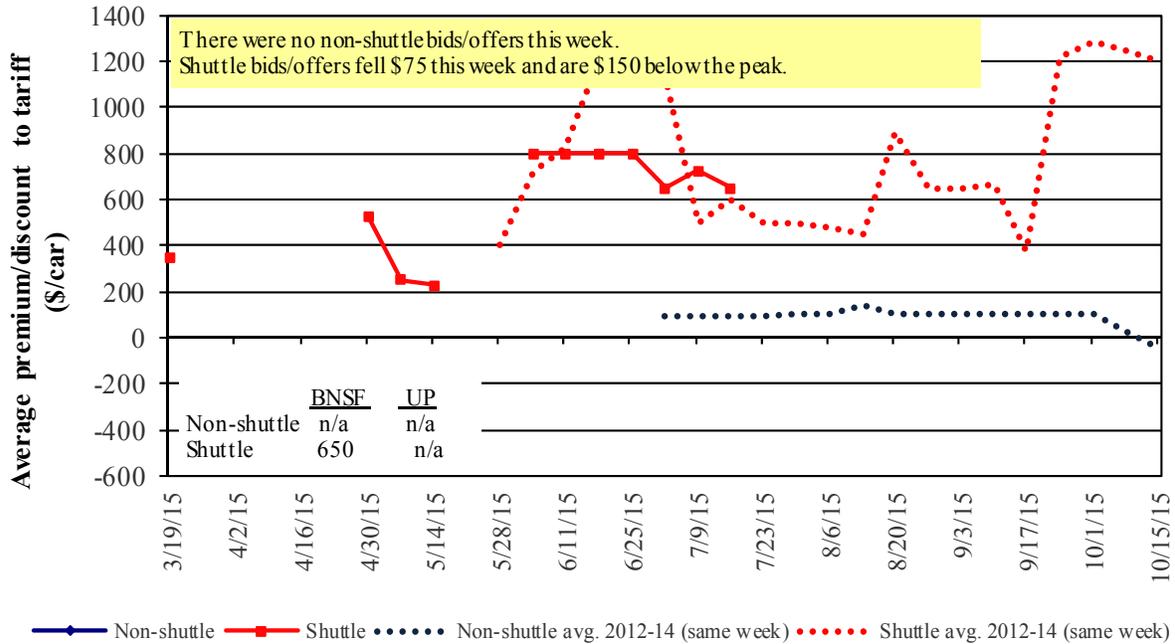


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in October 2015, 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 Railcar Market (\$/car)¹

Week ending	Delivery period					
	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
Non-shuttle						
BNSF-GF	n/a	n/a	n/a	n/a	n/a	n/a
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2014	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	(63)	n/a	n/a	n/a	n/a	n/a
Change from last week	12	n/a	n/a	n/a	n/a	n/a
Change from same week 2014	(813)	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(13)	-	650	n/a	n/a	n/a
Change from last week	37	-	(75)	n/a	n/a	n/a
Change from same week 2014	(2,013)	n/a	(2,850)	n/a	n/a	n/a
UP-Pool	(213)	(200)	n/a	n/a	n/a	n/a
Change from last week	37	-	n/a	n/a	n/a	n/a
Change from same week 2014	(1,751)	n/a	n/a	n/a	n/a	n/a

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

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

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

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

Sources: Transportation and Marketing Programs/AMS/USDA

Data from James B. Joiner Co., Tradewest Brokerage Co.

The **tariff rail rate** is the base price of freight rail service, and together with **fuel surcharges** and any **auction and secondary rail** values constitute the full cost of shipping by rail. Typically, auction and secondary rail values are a small fraction of the full cost of shipping by rail relative to the tariff rate. High auction and secondary rail values, during times of high rail demand or short supply, can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:		Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
7/1/2015	metric ton					bushel ²		
Unit train								
Wheat	Wichita, KS	St. Louis, MO	\$3,605	\$81	\$36.60	\$1.00	3	
	Grand Forks, ND	Duluth-Superior, MN	\$4,143	\$30	\$41.44	\$1.13	13	
	Wichita, KS	Los Angeles, CA	\$6,950	\$153	\$70.54	\$1.92	4	
	Wichita, KS	New Orleans, LA	\$4,243	\$142	\$43.55	\$1.19	1	
	Sioux Falls, SD	Galveston-Houston, TX	\$6,486	\$126	\$65.66	\$1.79	5	
	Northwest KS	Galveston-Houston, TX	\$4,511	\$156	\$46.35	\$1.26	0	
	Amarillo, TX	Los Angeles, CA	\$4,710	\$217	\$48.93	\$1.33	-1	
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,328	\$161	\$34.65	\$0.88	-2	
	Toledo, OH	Raleigh, NC	\$5,555	\$199	\$57.14	\$1.45	13	
	Des Moines, IA	Davenport, IA	\$2,168	\$34	\$21.87	\$0.56	2	
	Indianapolis, IN	Atlanta, GA	\$4,761	\$150	\$48.76	\$1.24	12	
	Indianapolis, IN	Knoxville, TN	\$4,104	\$96	\$41.71	\$1.06	14	
	Des Moines, IA	Little Rock, AR	\$3,308	\$100	\$33.84	\$0.86	-1	
	Des Moines, IA	Los Angeles, CA	\$4,852	\$292	\$51.08	\$1.30	-13	
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,719	\$149	\$38.41	\$1.05	1	
	Toledo, OH	Huntsville, AL	\$4,676	\$141	\$47.84	\$1.30	21	
	Indianapolis, IN	Raleigh, NC	\$5,625	\$201	\$57.85	\$1.57	12	
	Indianapolis, IN	Huntsville, AL	\$4,368	\$96	\$44.33	\$1.21	25	
	Champaign-Urbana, IL	New Orleans, LA	\$3,974	\$161	\$41.06	\$1.12	0	
Shuttle Train								
Wheat	Great Falls, MT	Portland, OR	\$3,953	\$88	\$40.13	\$1.09	1	
	Wichita, KS	Galveston-Houston, TX	\$3,919	\$69	\$39.60	\$1.08	7	
	Chicago, IL	Albany, NY	\$4,723	\$187	\$48.76	\$1.33	13	
	Grand Forks, ND	Portland, OR	\$5,611	\$152	\$57.23	\$1.56	1	
	Grand Forks, ND	Galveston-Houston, TX	\$6,532	\$158	\$66.44	\$1.81	0	
	Northwest KS	Portland, OR	\$5,478	\$256	\$56.94	\$1.55	-2	
Corn	Minneapolis, MN	Portland, OR	\$5,180	\$185	\$53.28	\$1.35	-6	
	Sioux Falls, SD	Tacoma, WA	\$5,130	\$170	\$52.63	\$1.34	-5	
	Champaign-Urbana, IL	New Orleans, LA	\$3,147	\$161	\$32.85	\$0.83	-2	
	Lincoln, NE	Galveston-Houston, TX	\$3,610	\$99	\$36.83	\$0.94	-4	
	Des Moines, IA	Amarillo, TX	\$3,690	\$126	\$37.89	\$0.96	-2	
	Minneapolis, MN	Tacoma, WA	\$5,180	\$184	\$53.26	\$1.35	-6	
	Council Bluffs, IA	Stockton, CA	\$4,600	\$190	\$47.57	\$1.21	-6	
	Sioux Falls, SD	Tacoma, WA	\$5,690	\$170	\$58.19	\$1.58	-5	
Soybeans	Minneapolis, MN	Portland, OR	\$5,710	\$185	\$58.54	\$1.59	-5	
	Fargo, ND	Tacoma, WA	\$5,580	\$151	\$56.91	\$1.55	-4	
	Council Bluffs, IA	New Orleans, LA	\$4,425	\$186	\$45.79	\$1.25	0	
	Toledo, OH	Huntsville, AL	\$3,851	\$141	\$39.65	\$1.08	26	
	Grand Island, NE	Portland, OR	\$5,360	\$262	\$55.83	\$1.52	-2	

¹A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 75-120 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: 7/1/2015

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharges per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$7,599	\$161	\$79.29	\$2.16	10
	OK	Cuautitlan, EM	\$6,714	\$195	\$70.59	\$1.92	-2
	KS	Guadalajara, JA	\$7,159	\$189	\$75.07	\$2.04	-3
	TX	Salinas Victoria, NL	\$4,086	\$74	\$42.50	\$1.16	2
Corn	IA	Guadalajara, JA	\$8,427	\$222	\$88.37	\$2.24	-2
	SD	Celaya, GJ	\$7,780	\$210	\$81.64	\$2.07	-5
	NE	Queretaro, QA	\$7,618	\$197	\$79.86	\$2.03	-3
	SD	Salinas Victoria, NL	\$6,035	\$160	\$63.30	\$1.61	-4
	MO	Tlalnepantla, EM	\$6,963	\$192	\$73.11	\$1.86	-4
	SD	Torreon, CU	\$7,050	\$176	\$73.83	\$1.87	-2
Soybeans	MO	Bojay (Tula), HG	\$8,365	\$187	\$87.38	\$2.38	0
	NE	Guadalajara, JA	\$8,929	\$214	\$93.42	\$2.54	-1
	IA	El Castillo, JA	\$9,270	\$209	\$96.85	\$2.63	-2
	KS	Torreon, CU	\$7,226	\$133	\$75.19	\$2.04	0
Sorghum	TX	Guadalajara, JA	\$7,150	\$137	\$74.45	\$1.89	-2
	NE	Celaya, GJ	\$7,404	\$191	\$77.60	\$1.97	-4
	KS	Queretaro, QA	\$7,255	\$120	\$75.35	\$1.91	4
	NE	Salinas Victoria, NL	\$5,883	\$141	\$61.54	\$1.56	2
	NE	Torreon, CU	\$6,662	\$157	\$69.67	\$1.77	0

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

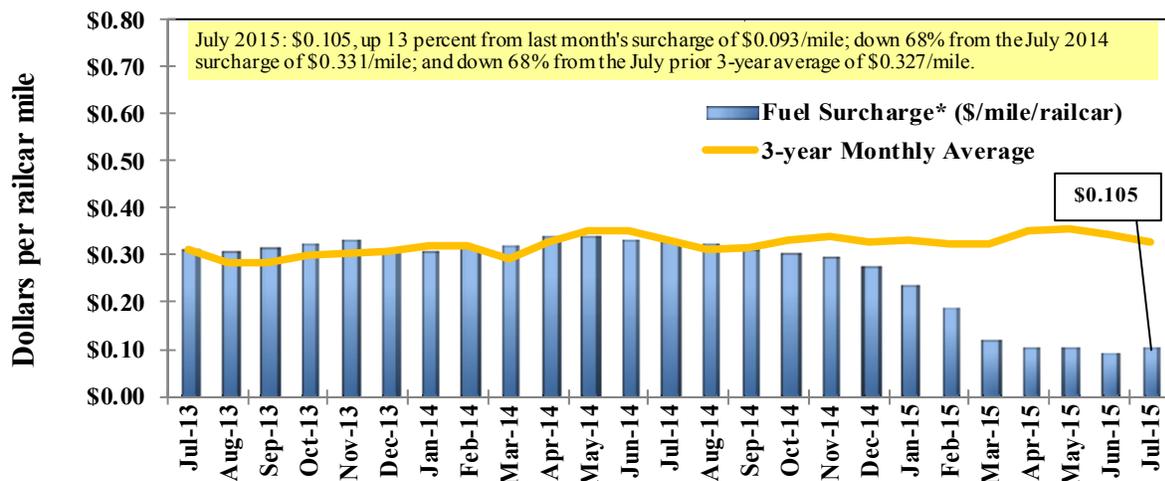
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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.

** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011.

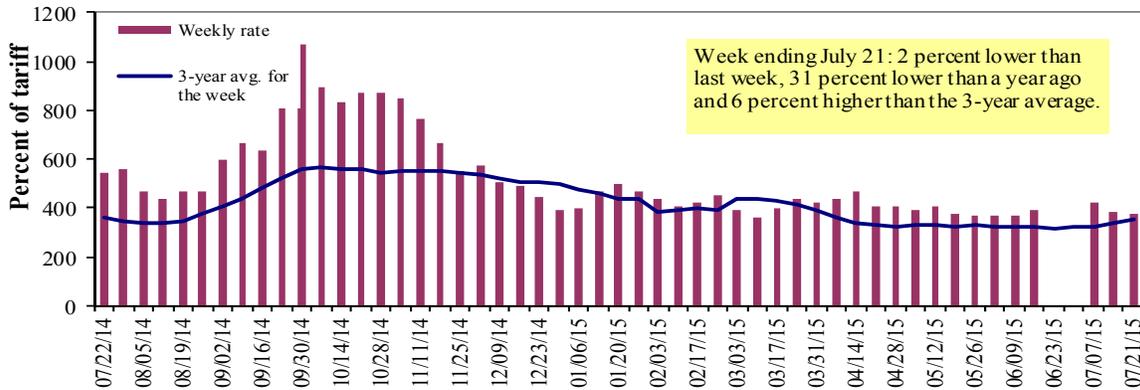
*** CSX strike price changed from \$2.00/gal. to \$3.75/gal. starting January 1, 2015.

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	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	7/21/2015	438	390	375	268	313	313	220
	7/14/2015	472	395	382	270	318	318	235
\$/ton	7/21/2015	27.11	20.75	17.40	10.69	14.68	12.65	6.91
	7/14/2015	29.22	21.01	17.72	10.77	14.91	12.85	7.38
Current week % change from the same week:								
	Last year	-26	-28	-31	-32	-30	-30	-32
	3-year avg. ²	-6	29	6	-6	15	15	-6
Rate¹	August	463	413	413	333	433	433	355
	October	663	650	638	595	663	663	575

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; missing data due to flooding

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9 Benchmark tariff rates

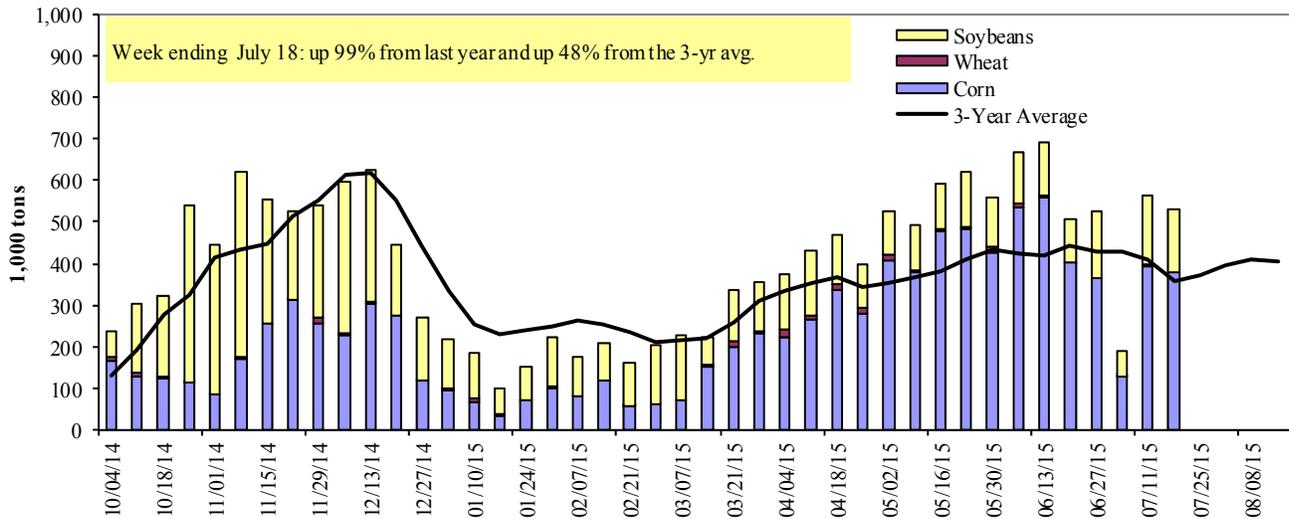
Calculating barge rate per ton:
(Rate * 1976 tariff benchmark rate per ton)/100

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



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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 07/18/2015	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	221	2	60	0	283
Winfield, MO (L25)	286	3	83	6	378
Alton, IL (L26)	333	0	149	6	488
Granite City, IL (L27)	381	0	149	8	538
Illinois River (L8)	0	0	0	0	0
Ohio River (L52)	89	48	25	0	161
Arkansas River (L1)	0	21	7	0	28
Weekly total - 2015	471	69	181	8	728
Weekly total - 2014	285	77	61	0	423
2015 YTD ¹	11,540	869	5,707	133	18,249
2014 YTD	12,520	1,273	4,443	117	18,353
2015 as % of 2014 YTD	92	68	128	114	99
Last 4 weeks as % of 2014 ²	96	69	308	240	112
Total 2014	20,693	2,181	11,813	258	34,946

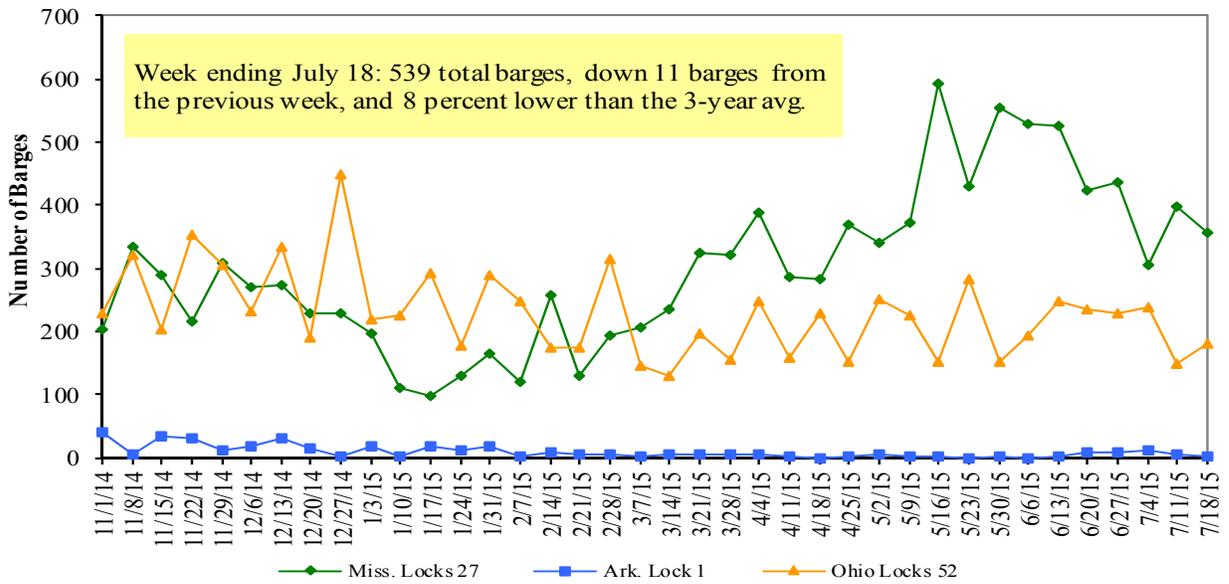
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2014.

Note: Total may not add exactly, due to rounding

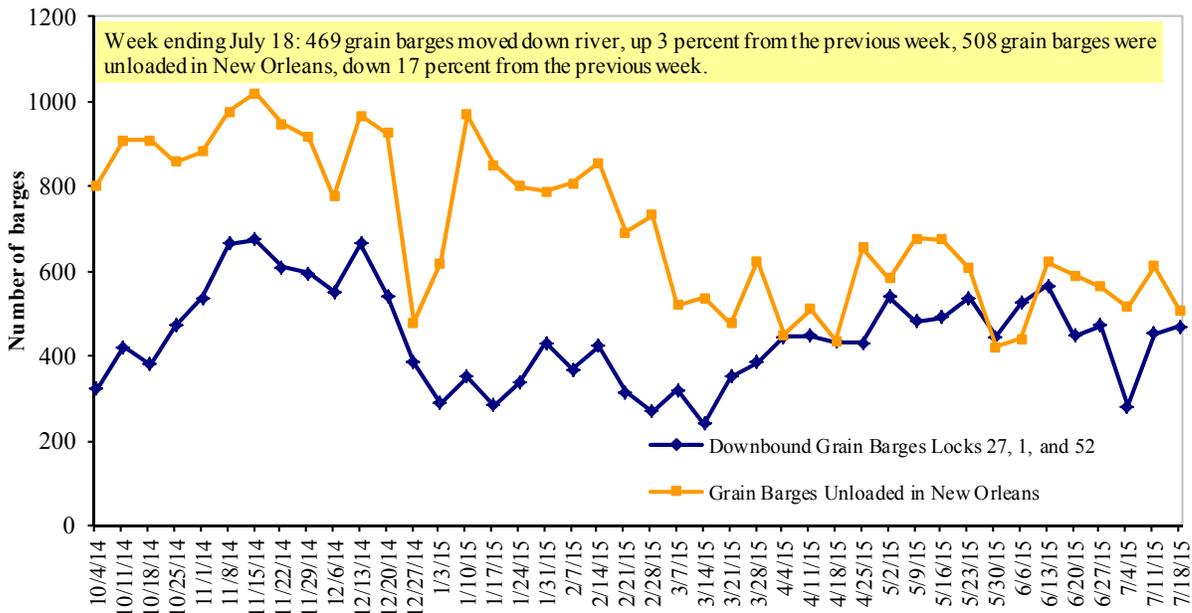
Source: U.S. Army Corps of Engineers

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 7/20/2015 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.873	-0.042	-1.055
	New England	2.996	-0.033	-1.056
	Central Atlantic	2.985	-0.053	-1.029
	Lower Atlantic	2.762	-0.035	-1.074
II	Midwest ²	2.679	-0.025	-1.131
III	Gulf Coast ³	2.674	-0.034	-1.099
IV	Rocky Mountain	2.770	-0.017	-1.119
V	West Coast	3.004	-0.033	-1.022
	West Coast less California	2.873	-0.046	-1.069
	California	3.111	-0.022	-0.985
Total	U.S.	2.782	-0.032	-1.087

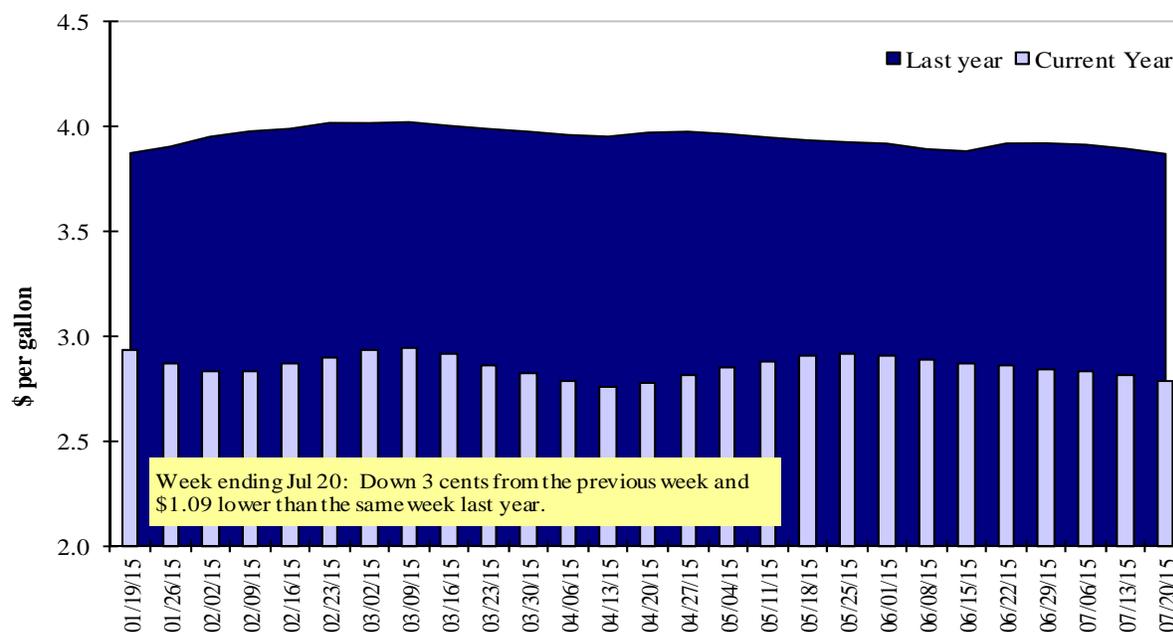
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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					All wheat	Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR				
Export Balances¹									
7/9/2015	1,178	888	1,553	991	191	4,800	8,227	2,650	15,677
This week year ago	1,688	937	2,142	1,013	120	5,901	8,073	1,933	15,907
Cumulative exports-marketing year²									
2014/15 YTD	590	388	415	201	90	1,683	38,314	48,026	88,023
2013/14 YTD	832	451	836	418	46	2,583	40,076	43,677	86,336
YTD 2014/15 as % of 2013/14	71	86	50	48	196	65	96	110	102
Last 4 wks as % of same period 2013/14	77	97	68	90	160	81	113	147	105
2013/14 Total	11,465	7,307	6,338	4,367	486	29,963	46,868	44,478	121,309
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year in effect for wheat

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 07/09/2015	Total Commitments ²			% change current MY from last MY	Exports ³ 3-year avg 2011-2013
	2015/16 Next MY	2014/15 Current MY	2013/14 Last MY		
	- 1,000 mt -				- 1,000 mt -
Japan	657	11,386	11,238	1	10,079
Mexico	1,752	10,562	10,453	1	8,145
Korea	1	3,668	4,359	(16)	2,965
Colombia	40	4,175	3,241	29	3,461
Taiwan	41	2,024	1,990	2	1,238
Top 5 Importers	2,490	31,816	31,281	2	25,887
Total US corn export sales	3,543	46,541	48,150	(3)	34,445
% of Projected	7%	99%	99%		
Change from prior week	325	331	574		
Top 5 importers' share of U.S. corn export sales	70%	68%	65%		75%
USDA forecast, July 2015	47,628	46,993	48,695	(3)	
Corn Use for Ethanol USDA forecast, July 2015	132,715	132,080	130,404	1	

(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, or Export Sales Query--
<http://www.fas.usda.gov/esrquery/>

³FAS Marketing Year Ranking Reports - <http://apps.fas.usda.gov/export-sales/myrkaug.htm>; 3-yr average

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 07/9/2015	Total Commitments ²			% change current MY from last MY	Exports ³ 3-yr avg. 2011-13
	2015/16 Next MY	2014/15 Current MY	2013/14 Last MY		
	- 1,000 mt -				- 1,000 mt -
China	2,435	29,984	27,665	8	24,211
Mexico	573	3,378	3,273	3	2,971
Indonesia	0	1,776	2,287	(22)	1,895
Japan	317	2,118	1,893	12	1,750
Taiwan	46	1,329	1,271	5	1,055
Top 5 importers	3,371	38,586	36,389	6	31,882
Total US soybean export sales	6,851	50,591	45,610	11	39,169
% of Projected	14%	103%	102%		
Change from prior week	507	45	38		
Top 5 importers' share of U.S. soybean export sales	49%	76%	80%		81%
USDA forecast, July 2015	48,308	49,260	44,824	10	

(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, or Export Sales Query--
http://www.fas.usda.gov/esrquery/³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 07/9/2015	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2012-2014
	2015/16 Current MY	2014/15 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	515	900	(43)	3,113
Mexico	635	1,046	(39)	2,807
Nigeria	626	533	17	2,512
Philippines	494	709	(30)	2,105
Brazil	153	956	(84)	2,091
Korea	378	541	(30)	1,273
Taiwan	290	301	(4)	1,007
Indonesia	136	251	(46)	751
Colombia	162	157	3	662
Thailand	136	155		618
Top 10 importers	3,388	5,394	(37)	16,939
Total US wheat export sales	6,483	8,484	(24)	26,361
% of Projected	26%	36%		
Change from prior week	291	317		
Top 10 importers' share of U.S. wheat export sales	52%	64%		64%
USDA forecast, July 2015	25,170	23,270	8	

(n) indicates negative number.

¹ Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report,
or Export Sales Query--http://www.fas.usda.gov/esrquery/³ FAS 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 07/16/15	Previous Week ¹	Current Week as % of Previous	2015 YTD ¹	2014 YTD ¹	2015 YTD as % of 2014 YTD	Last 4-weeks as % of		Total ¹ 2014
							2014	3-yr. avg.	
Pacific Northwest									
Wheat	274	74	371	5,851	7,025	83	65	82	12,436
Corn	311	239	130	5,565	4,961	112	119	189	7,781
Soybeans	6	0	n/a	4,060	4,486	90	n/a	6	12,887
Total	591	313	189	15,476	16,472	94	91	117	33,104
Mississippi Gulf									
Wheat	118	68	174	2,317	2,537	91	100	69	4,495
Corn	640	657	97	16,791	18,406	91	96	159	30,912
Soybeans	226	121	187	11,224	10,246	110	502	158	29,087
Total	983	846	116	30,332	31,189	97	116	139	64,495
Texas Gulf									
Wheat	36	91	40	2,188	3,672	60	57	40	6,120
Corn	0	98	0	400	370	108	527	844	580
Soybeans	0	0	n/a	210	257	82	n/a	0	949
Total	36	190	19	2,798	4,300	65	82	58	7,649
Interior									
Wheat	9	38	24	742	661	112	129	149	1,400
Corn	129	87	148	3,304	3,023	109	79	144	5,677
Soybeans	60	27	224	1,829	2,142	85	105	89	4,312
Total	198	152	130	5,875	5,826	101	173	129	11,389
Great Lakes									
Wheat	0	11	0	268	263	102	73	68	935
Corn	40	53	74	230	70	328	324	569	288
Soybeans	0	0	n/a	86	51	170	n/a	147	988
Total	40	64	62	584	384	152	199	187	2,211
Atlantic									
Wheat	41	3	1,311	353	202	174	239	260	553
Corn	8	0	n/a	89	433	21	27	57	816
Soybeans	5	3	189	927	992	93	266	55	2,119
Total	54	6	914	1,369	1,627	84	129	144	3,487
U.S. total from ports²									
Wheat	479	285	168	11,719	14,360	82	79	71	25,939
Corn	1,127	1,135	99	26,380	27,263	97	105	169	46,054
Soybeans	297	151	197	18,336	18,174	101	295	120	50,342
Total	1,903	1,571	121	56,434	59,798	94	107	123	122,335

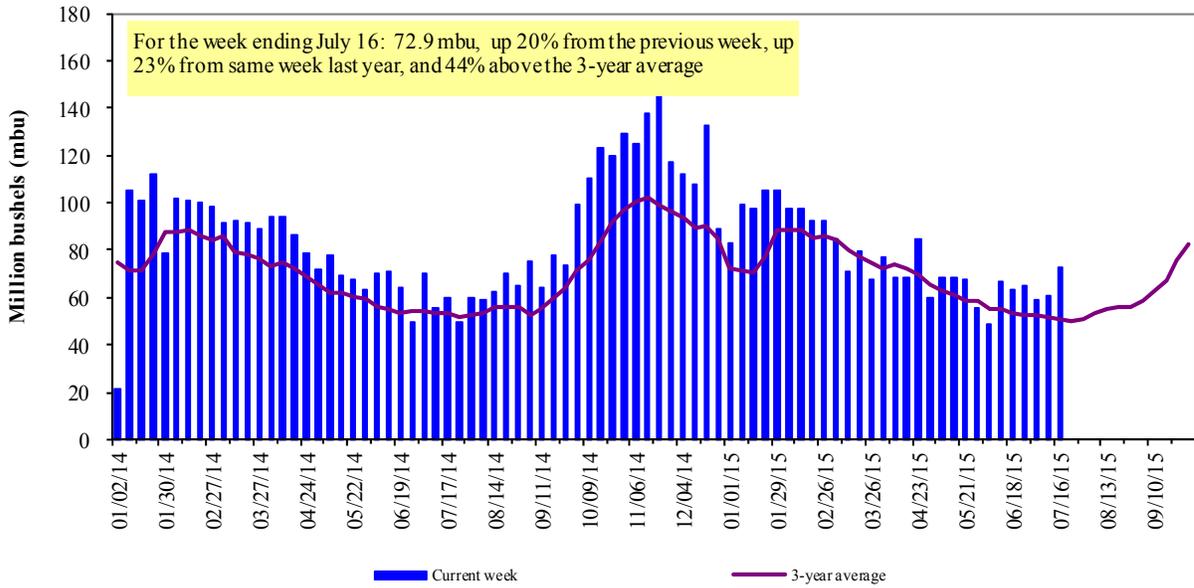
¹ Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2014.

Figure 14

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

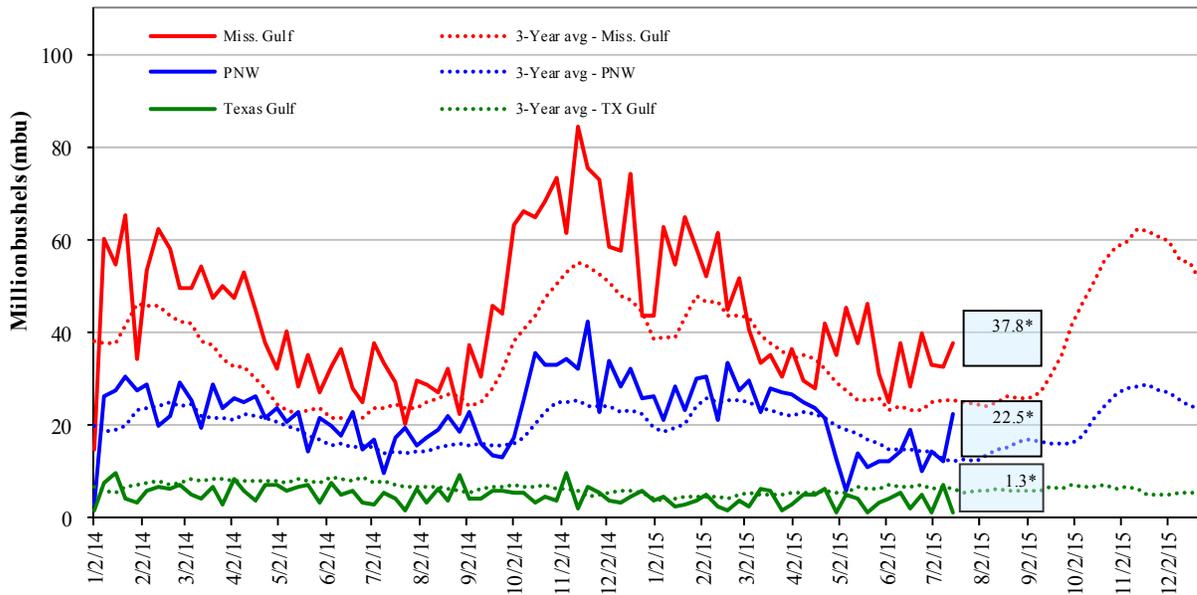


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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>July 16: % change from:</u>	<u>MSGulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	up 15	down 82	down 2	up 86
Last year (same week)	up 28	down 70	up 16	up 30
3-yr avg. (4-wk mov. avg.)	up 48	down 79	up 23	up 91

Ocean Transportation

Table 17

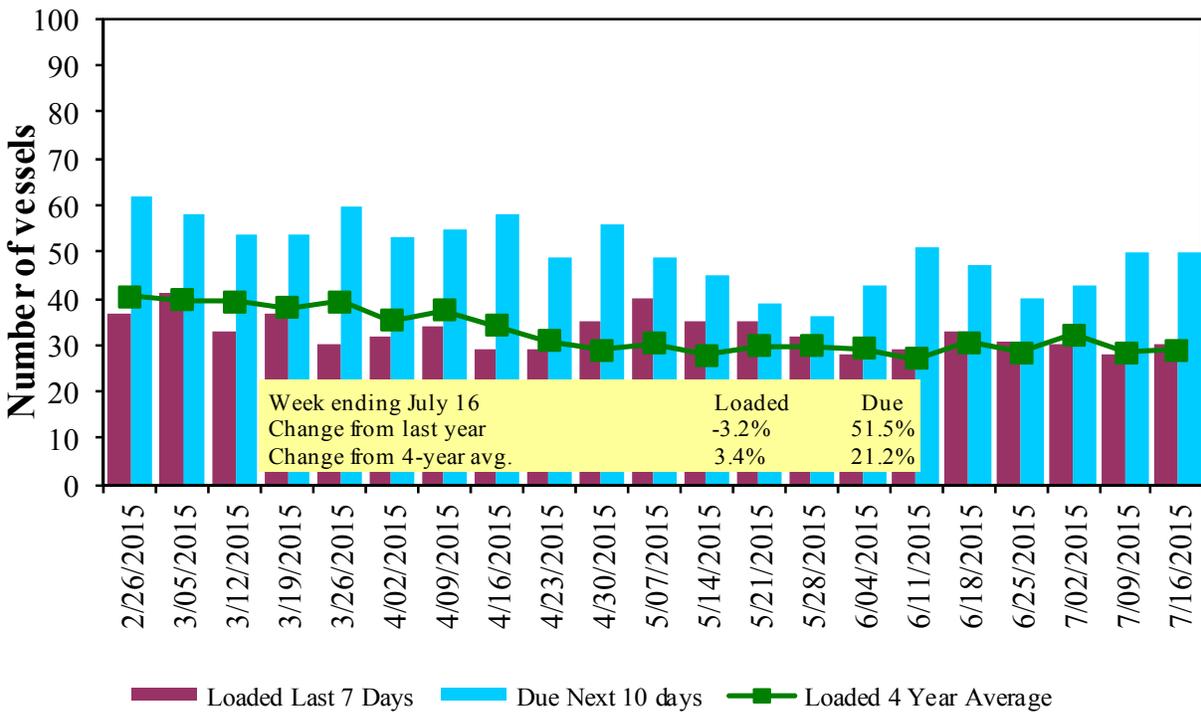
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/16/2015	37	30	50	12	n/a
7/9/2015	25	28	50	11	n/a
2014 range	(18..88)	(24..52)	(27..97)	(6..26)	n/a
2014 avg	47	39	60	15	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity

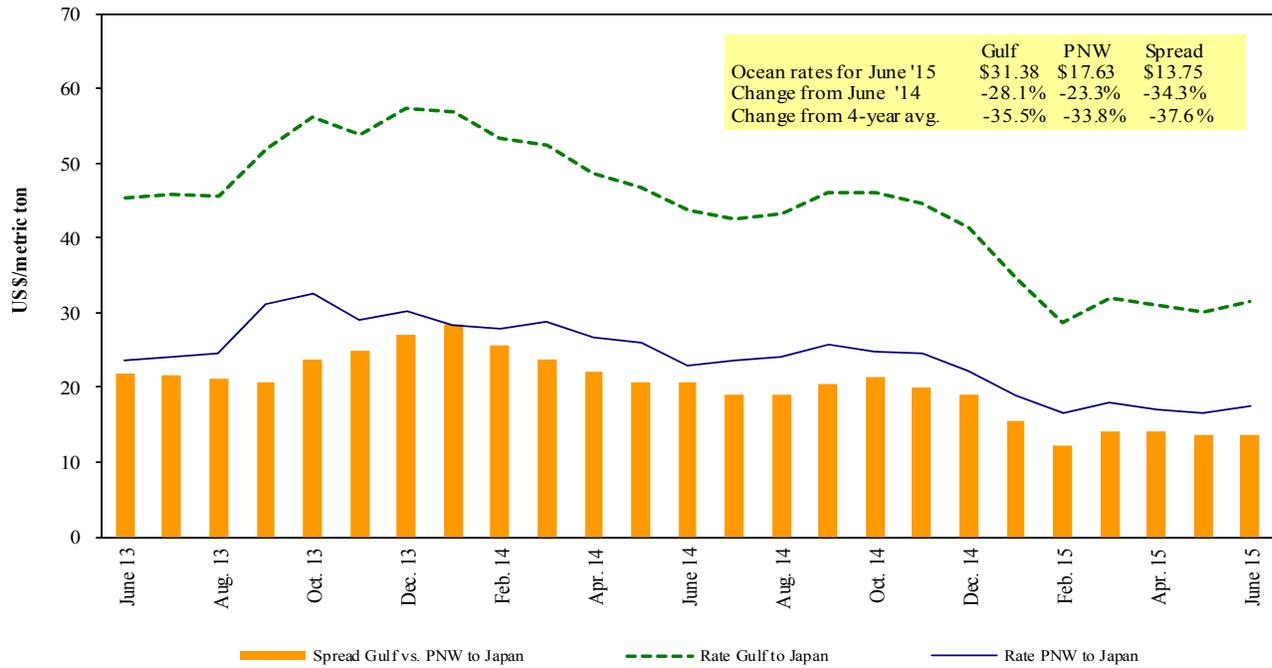


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 7/18/2015

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Jul 25/Aug 5	54,000	37.00
U.S. Gulf	China	Heavy Grain	Jul 10/15	53,000	31.75
U.S. Gulf	China	Grain	Jun 1/10	50,000	35.75
U.S. Gulf	Guatemala ¹	Corn	Jul 20/30	10,000	108.18
PNW	China	Heavy Grain	Jun 1/10	60,000	14.00
Brazil	China	Grain	Aug 1/30	60,000	23.25
Brazil	China	Heavy Grain	Jul 10/15	60,000	24.75
Brazil	China	Heavy Grain	Jul 1/10	60,000	22.75
Brazil	China	Heavy Grain	Jun 25/30	60,000	26.00
Brazil	China	Heavy Grain	Jun 20/30	60,000	21.50
Brazil	China	Heavy Grain	Jun 20/30	60,000	21.75
Brazil	China	Heavy Grain	Jun 10/20	60,000	22.25
Brazil	China	Heavy Grain	Jun 10/19	60,000	22.00
Brazil	China	Grain	Jun 15/25	60,000	21.65
Brazil	Egypt Med	Corn	Jul 5/15	50,000	19.50
Brazil	Thailand	Grain	Aug 1/5	60,000	28.50
River Plate	South Africa	Corn	Jul 1/10	25,000	24.25
River Plate	Vietnam	Corn	Jun 13/18	60,000	30.00
Thailand	Senegal	Rice Bggd	Jun 11/16	23,000	34.00
Uruguay	Syria	Soybean Meal	Jun 10/15	26,000	38.80

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

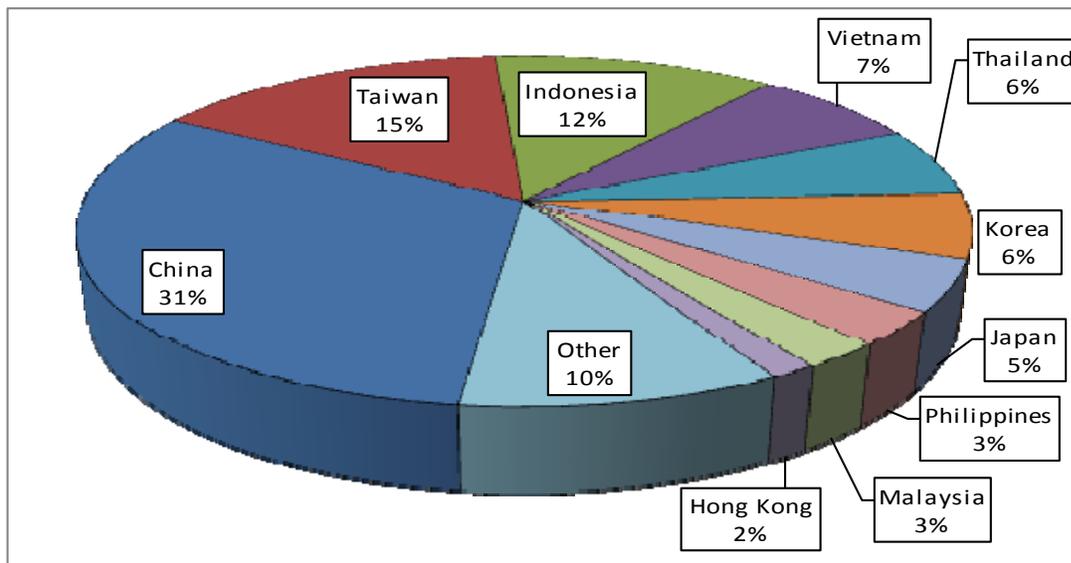
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

In 2013, containers were used to transport 10 percent of total U.S. waterborne grain exports, up 2 percentage points from 2012. Approximately 61 percent of U.S. waterborne grain exports in 2013 went to Asia, of which 16 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—97 percent in 2013.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, January-December 2014

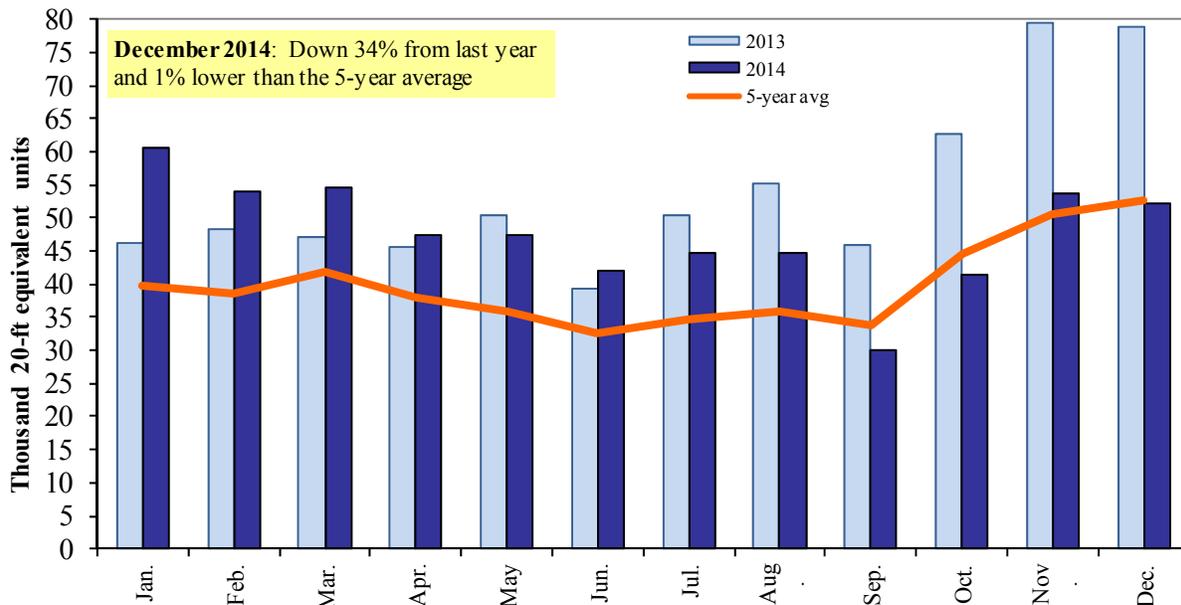


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 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: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data.

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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Ocean Transportation

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