United States Department of Agriculture

Grain Transportation Report

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

Contact Us

March 1, 2018

Contents

Article/ Calendar

Grain Transportation Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Grain Truck/Ocean Rate Advisory

Datasets

Specialists

Subscription Information

The next release is March 8, 2018

WEEKLY HIGHLIGHTS

High Water Disrupts Navigation Across Much of the Mississippi River System
Heavy rainfall, from the middle to lower Mississippi River Valley eastward across much of the Ohio River Basin, has resulted in widespread river flooding along Cincinnati, Cairo, Memphis, and other locations. High water has caused navigation disruptions on sections of the Ohio, Illinois, Tennessee, and Arkansas Rivers. In response, the Army Corps of Engineers (Corps) closed the Markland Locks, McAlpine Locks, and Smithland Locks. In addition, large volumes of water from the aforementioned rivers are flowing into the Mississippi River and causing its lower portion to reach flood stage at multiple locations. Barge tow sizes have been reduced from 40 to 30 barges on the lower Mississippi River, and will likely be restricted for several weeks. Barge traffic is also restricted to daylight passage at Vicksburg and Memphis. River restrictions are set by the Waterway Action Plan, a joint effort of the U.S. Coast Guard, Corps, and senior leaders of the towing industry.

Presentations Available from USDA's 2018 Agricultural Outlook Forum
USDA has posted presentation slides and a video recording of the opening and plenary sessions of the 94th Agricultural Outlook Forum, held last week. The Forum covered a variety of topics, including food prices, international markets and trade, and innovation in agriculture. During the plenary, Cargill's Joe Stone listed investing in infrastructure as one of "three imperatives for continued prosperity of the U.S. agricultural economy." In addition, as part of the event, USDA released its outlook reports for grain and oilseeds, livestock and poultry, and other commodities. The commodity outlooks contain the latest projections on prices, supply, and demand for 2018/19. For instance, USDA projects total exports of corn, soybeans, and wheat to remain similar to last year, with year-over-year corn exports decreasing 150 million bushels (7 percent) and soybeans increasing 200 million bushels (10 percent). USDA will update these projections in its May *World Agricultural Supply and Demand Estimates* report.

CMA-CGM Announces New Intermodal Fee
According to a recent article by the Journal of Commerce (JOC), ocean container carrier CMA-CGM announced an emergency intermodal fee, effective March 13, 2018. The fee will apply to all shipments where CMA-CGM is responsible for the inland transportation. JOC quotes the carrier's February 20 announcement, which cites the "new regulations requiring commercial trucks to be equipped with electronic logging devices" and "fewer drivers in the market" as reasons for the additional fee.

Snapshots by Sector

Export Sales
For the week ending February 15, **unshipped balances** of wheat, corn, and soybeans totaled 33.6 mmt, down 6 percent from the same time last year. Net weekly **wheat export sales** were .329 mmt, up 6 percent from the previous week. Net **corn export sales** were 1.56 mmt, down 21 percent from the previous week. Net **soybean export sales** were negative .109 mmt for the same period.

Rail
U.S. Class I railroads originated 21,495 **grain carloads** for the week ending February 17; up 13 percent from the previous week, down 6 percent from last year, and down 6 percent from the 3-year average.

Average March shuttle **secondary railcar** bids/offers per car were $1,069 above tariff, for the week ending February 22; up $581 from last week, and $719 lower than last year. There were no non-shuttle bids/offers this week.

Barge
For the week ending February 24, **barge grain movements** totaled 418,480 tons, 27 percent lower than the previous week and down 22 percent from the same period last year.

For the week ending February 24, 264 grain barges **moved down river**, down 27 percent from last week. There were 800 grain barges **unloaded in New Orleans**, 47 percent higher the previous week.

Ocean
For the week ending February 22, 37 **ocean-going grain vessels** were loaded in the Gulf, 28 percent less than the same period last year. Fifty-six vessels are expected to be loaded within the next 10 days, 27 percent less than the same period last year.

For the week ending February 22, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $44 per metric ton, up 2 percent from the previous week. The cost of shipping from the PNW to Japan was $23.75 per metric ton, up 2 percent from the previous week.

Fuel
During the week ending February 26, average **diesel fuel prices** decreased 2 cents from the previous week at $3.01 per gallon, 43 cents higher than the same week last year.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* March 1, 2018.
Web: **http://dx.doi.org/10.9752/TS056.03-01-2018**

Feature Article/Calendar

Despite Increased Transportation Costs, Mexico Imported More U.S. Corn During the Fourth Quarter

During the fourth quarter of 2017, Mexico imported 14 percent more corn from the United States, but 3 percent less soybeans and 31 percent less wheat, compared to the same period a year earlier (USDA, Foreign Agricultural Service, GATS data). Despite a hike in transportation costs, Mexico imported 7 percent more U.S. corn, 8 percent more soybeans, and 34 percent more wheat, during calendar year 2017 compared to 2016.

The transportation costs of shipping corn and soybeans from the United States to Veracruz, Mexico via water increased 10 percent and the cost of shipping wheat increased 12 percent (see table below). The cost of shipping U.S. corn and wheat by land to Guadalajara, Mexico increased 3 and 2 percent, respectively, while the cost of shipping soybeans decreased 1 percent. The increase in transportation costs of shipping U.S. corn and soybeans, over the water route, was due to higher truck, barge, and ocean rates during the quarter. As for the land route, the tariff rail rate for shipping corn increased as well.

Quarterly costs of transporting U.S. grain to Veracruz and Guadalajara, Mexico

	Water route (to Veracruz) $/metric ton					Land route (to Guadalajara) $/metric ton				
	2016	2017	2017	Percent change		2016	2017	2017	Percent change	
	4th qtr.	3rd qtr.	4th qtr.	Yr. to Yr.	Qtr. to Qtr.	4th qtr.	3rd qtr.	4th qtr.	Yr. to Yr.	Qtr. to Qtr.
Corn										
Origin			IL					IA		
Truck	10.58	13.02	14.39	36.0	10.5	3.94	4.00	4.91	24.6	22.8
Rail [1]						84.85	85.68	87.27	2.9	1.9
Barge	16.52	17.75	19.59	18.6	10.4					
Ocean[2]	13.26	12.98	14.26	7.5	9.9					
Total transportation cost[3]	40.36	43.75	48.24	19.5	10.3	88.79	89.68	92.18	3.8	2.8
Farm Value[4]	132.41	132.80	128.60	-2.9	-3.2	128.21	128.60	125.58	-2.1	-2.3
Landed Cost[5]	172.77	176.55	176.84	2.4	0.2	217.00	218.28	217.76	0.4	-0.2
Transport % of landed cost	23	25	27			41	41	42		
Soybeans										
Origin			IL					NE		
Truck	10.58	13.02	14.39	36.0	10.5	3.94	4.00	4.91	24.6	22.8
Rail						92.64	93.53	91.23	-1.5	-2.5
Barge	16.52	17.75	19.59	18.6	10.4					
Ocean	13.26	12.98	14.26	7.5	9.9					
Total transportation cost	40.36	43.75	48.24	19.5	10.3	96.58	97.53	96.14	-0.5	-1.4
Farm Value	359.11	351.27	349.07	-2.8	-0.6	338.29	332.65	329.10	-2.7	-1.1
Landed Cost	399.47	395.02	397.31	-0.5	0.6	434.87	430.18	425.24	-2.2	-1.1
Transport % of landed cost	10	11	12			22	23	23		
Wheat										
Origin			KS					KS		
Truck	3.94	4.00	4.91	24.6	22.8	3.94	4.00	4.91	24.6	22.8
Rail	38.30	41.42	41.42	8.1	0.0	73.69	77.19	77.46	5.1	0.3
Ocean	13.26	12.98	14.26	7.5	9.9					
Total transportation cost	55.50	58.40	60.59	9.2	3.7	77.63	81.19	82.37	6.1	1.5
Farm Value	106.92	146.36	128.97	20.6	-11.9	106.92	146.36	128.97	20.6	-11.9
Landed Cost	162.42	204.76	189.56	16.7	-7.4	184.55	227.55	211.34	14.5	-7.1
Transport % of landed cost	34	29	32			42	36	39		

[1]Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are estimated based on actual quoted market rates. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains. Rail rates include fuel surcharges, but do not include the cost of purchasing empty rail cars in the secondary market, which could exceed the rail tariff rate plus fuel surcharge shown in the table.

[2]Source: O'Neil Commodity Consulting

[3]Transportation costs for Kansas wheat transported via water route were revised from previous estimates

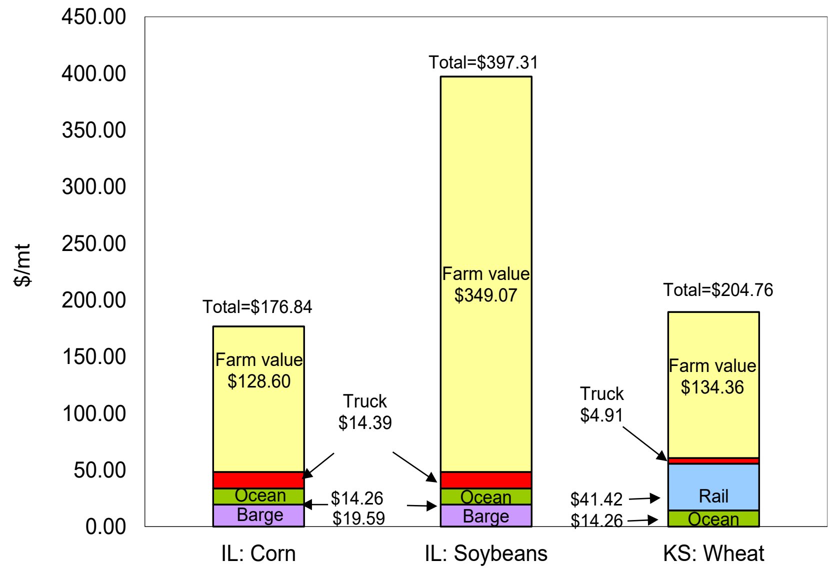
[4]Source: USDA/NASS

[5]Landed cost is total transportation cost plus farm value

The increase in the trucking rates was partly due to higher diesel prices and increased demand for trucking services. Barge rates increased as a result of the seasonal increase in the demand for barge services during the quarter. A strong thermal coal and grain trade pushed up ocean freight rates during the quarter (February 8, 2018 *Grain Transportation Report*).

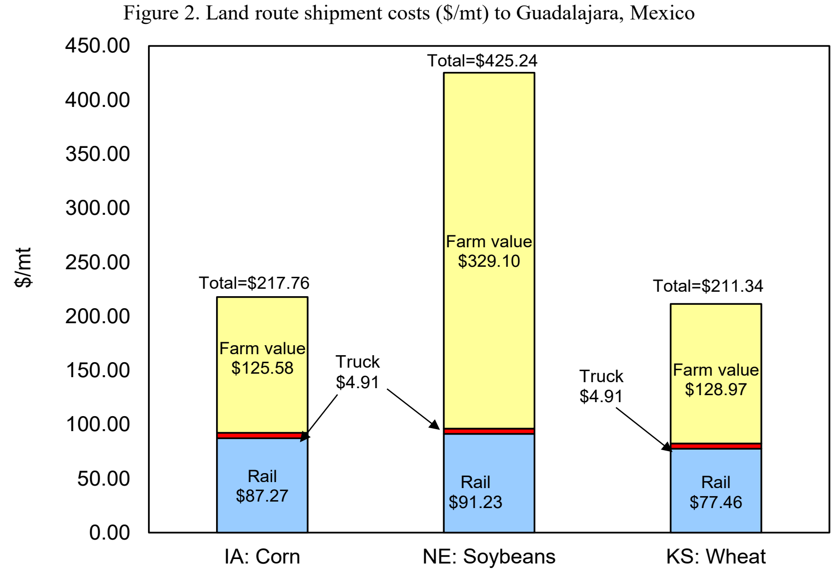
Despite an overall increase in transportation costs, quarter-to-quarter landed costs for waterborne U.S. wheat decreased 7 percent, but corn and soybeans remained relatively the same. The landed costs for soybean and wheat transported by land decreased 1 and 7 percent, respectively. The landed cost for corn by land remained the same. Lower or reduced landed costs were a result of the decline in the farm values. Landed costs ranged from $177 to $397 per metric ton (mt) for the water route (see table and figure 1) and $211 to $425 per mt (see table and figure 2) for the land route. The transportation share of the landed costs ranged from 12 to 32 percent for the water route and 23 to 42 percent for the land route (see table).

Figure 1. Water route shipment costs ($/mt) to Veracruz, Mexico



Source: USDA, Agricultural Marketing Service

Figure 2. Land route shipment costs ($/mt) to Guadalajara, Mexico



Source: USDA, Agricultural Marketing Service

Market Analysis and Outlook: Although grain prices are currently at low levels, Mexico is expected to import slightly less corn during the 2017/18 marketing year (MY) than during the previous marketing year; still much higher than the historical average of the last few years. According to USDA's Foreign Agricultural Service, Mexico's corn imports for MY 2017/18 are estimated at 15.6 million metric tons (mmt) (*FAS, GAIN Report #: MX8002*). Mexico's imports of U.S. wheat for MY 2017/18 are also estimated at 4.1 mmt. Corn imports were revised downward slightly from the previous official USDA estimate because of higher-than-estimated production and potential economic uncertainty in 2018, such as Mexican presidential elections and ongoing NAFTA negotiations (*FAS, GAIN Report #: MX8002*). Despite the economic uncertainties, U.S. proximity to Mexico provides a competitive advantage over other suppliers to the Mexican market. In addition, the currently low grain prices may make U.S. exports more attractive to Mexican consumers.
surajudeen.olowolayemo@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
For the week ending		Unit Train	Shuttle		Gulf	Pacific
02/28/18	202	273	259	217	197	168
02/21/18	203	273	235	211	192	165

[1]Indicator: 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

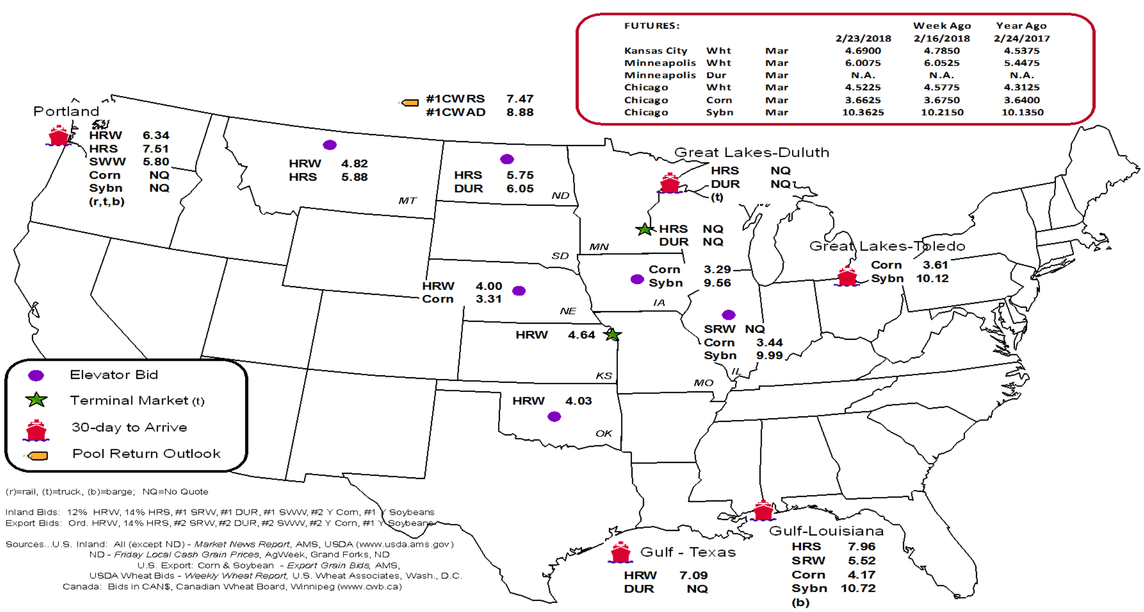
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	2/23/2018	2/16/2018
Corn	IL--Gulf	-0.73	-0.70
Corn	NE--Gulf	-0.86	-0.82
Soybean	IA--Gulf	-1.16	-1.12
HRW	KS--Gulf	-2.45	-2.40
HRS	ND--Portland	-1.76	-1.83

Note: nq = no quote; n/a = not available
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]

For the Week Ending	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
02/21/2018[p]	212	1,026	4,807	258	7,983	2/17/2018	2,292
02/14/2018[r]	420	1,516	6,087	371	8,394	2/10/2018	1,461
2018 YTD[r]	4,086	11,787	49,442	2,117	67,432	2018 YTD	14,362
2017 YTD[r]	6,536	15,327	48,339	5,997	76,199	2017 YTD	16,482
2018 YTD as % of 2017 YTD	63	77	102	35	88	% change YTD	87
Last 4 weeks as % of 2017[2]	49	73	103	48	89	Last 4wks % 2017	87
Last 4 weeks as % of 4-year avg.[2]	47	93	111	40	96	Last 4wks % 4 yr	100
Total 2017	28,766	76,045	289,178	21,999	415,988	Total 2017	119,661
Total 2016	36,925	87,863	299,606	29,007	453,401	Total 2016	92,982

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2017 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 Grupo Mexico.

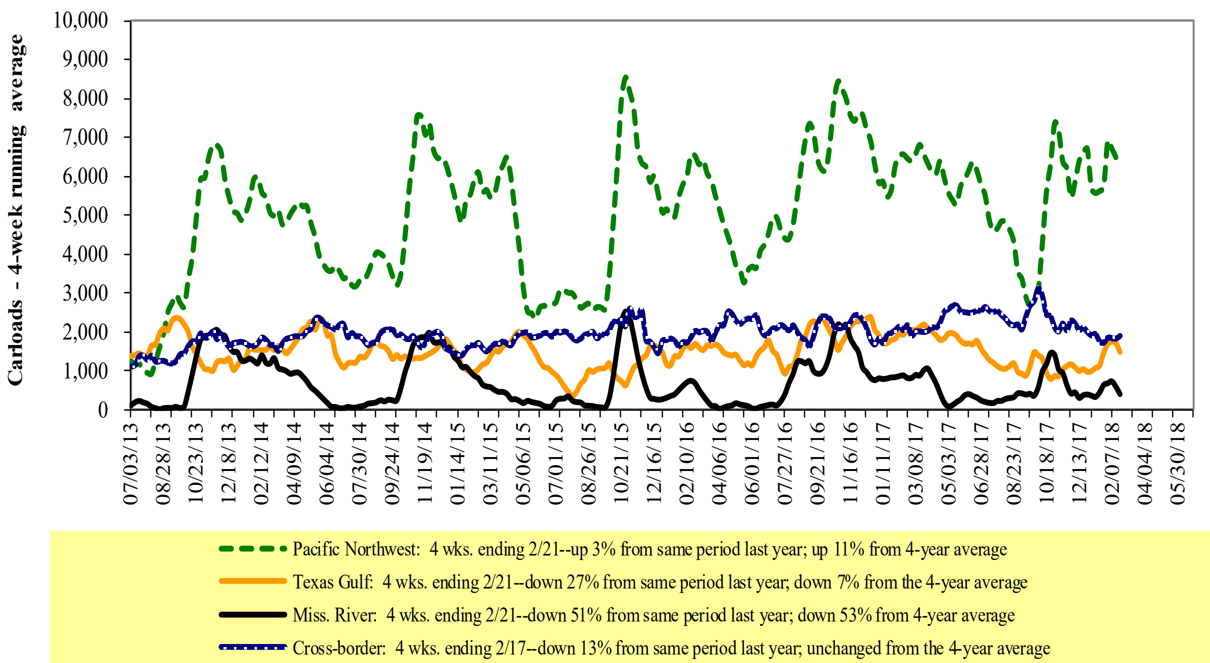
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

For the week ending: 2/17/2018	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,980	2,248	11,204	1,081	4,982	21,495	2,491	4,783
This week last year	1,780	2,146	11,903	1,059	5,923	22,811	3,680	4,447
2018 YTD	12,747	16,708	80,724	6,948	35,486	152,613	23,382	30,126
2017 YTD	14,291	20,170	78,392	7,386	42,049	162,288	26,230	29,599
2018 YTD as % of 2017 YTD	89	83	103	94	84	94	89	102
Last 4 weeks as % of 2017*	86	87	106	95	84	96	82	98
Last 4 weeks as % of 3-yr avg.**	84	81	106	110	88	96	84	100
Total 2017	89,465	142,827	578,964	50,223	289,574	1,151,053	198,756	244,766

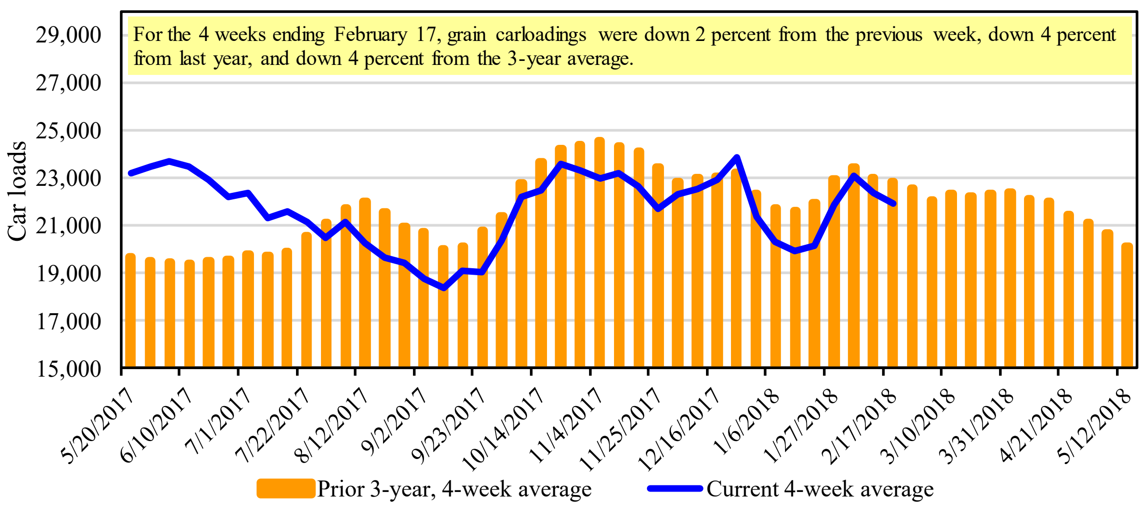
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**The past 4 weeks as a percent of the same period from 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

Railcar Auction Offerings[1] ($/car)[2]

For the week ending: 2/22/2018		Delivery period							
		Mar-18	Mar-17	Apr-18	Apr-17	May-18	May-17	Jun-18	Jun-17
BNSF[3]	COT grain units	0	62	0	5	0	0	0	0
	COT grain single-car[5]	65	119	0	no bids	no bids	31	no bids	12
UP[4]	GCAS/Region 1	no bids	no offer	10	no bids	no bids	no bids	n/a	n/a
	GCAS/Region 2	10	no offer	no bids	11	no bids	no offer	n/a	n/a

[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.

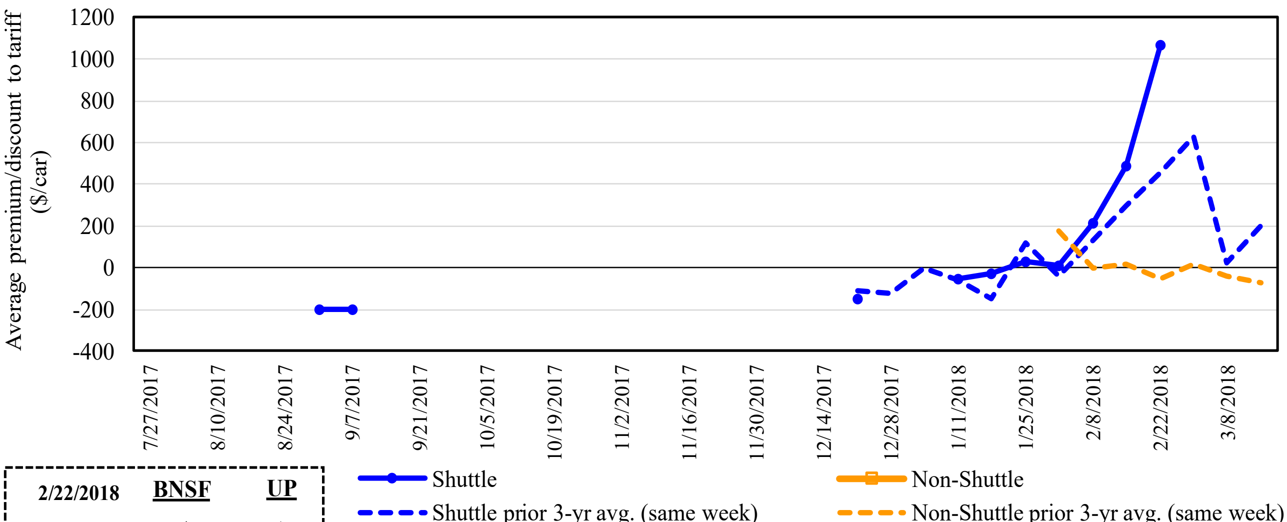
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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 March 2018, Secondary Market

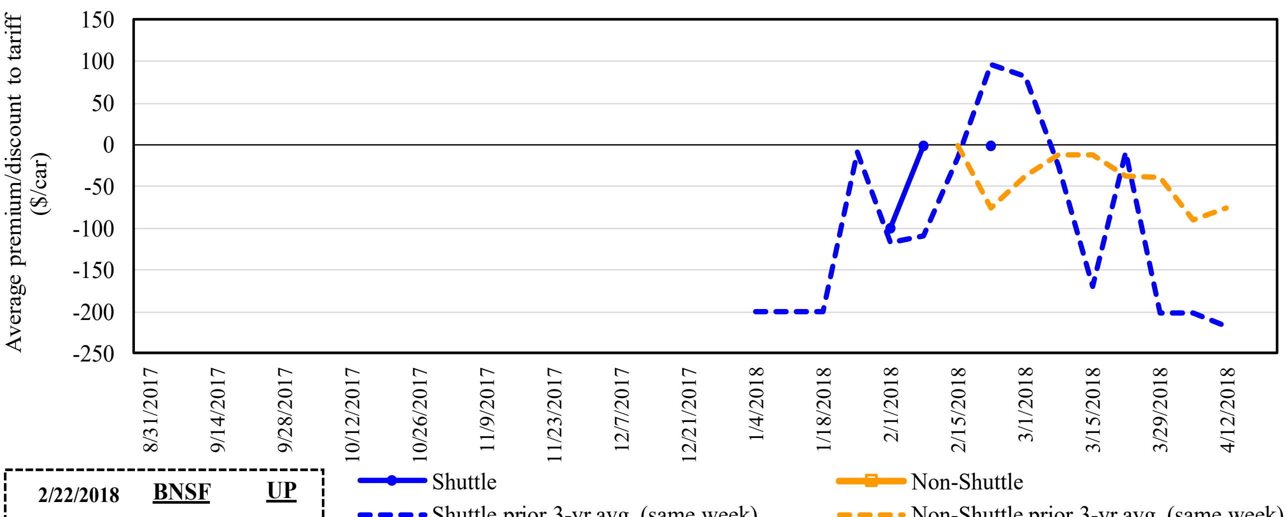


2/22/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$1,550	$588

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $581 this week and are at the peak.

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 April 2018, Secondary Market



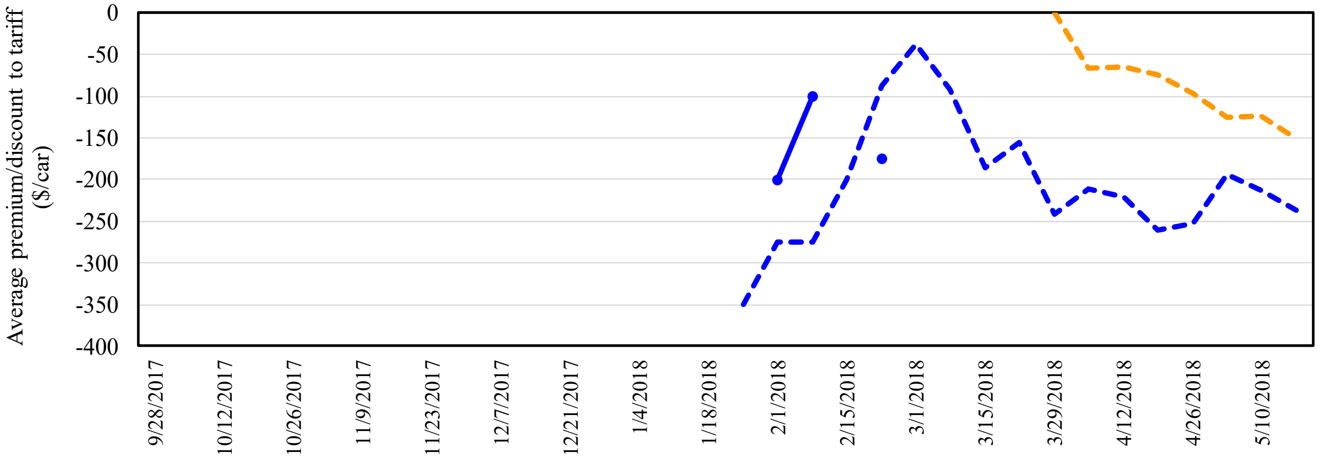
2/22/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	$0

There were no Non-Shuttle bids/offers this week.
There were no Shuttle bids/offers last week. Average Non-Shuttle bids/offers this week are at the peak.

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 May 2018, Secondary Market



2/22/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	-$175

There were no Non-Shuttle bids/offers this week.
There were no Shuttle bids/offers last week. Average Non-Shuttle bids/offers this week are $75 below the peak.

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]

	For the week ending: 2/22/2018	Delivery period					
		Mar-18	**Apr-18**	**May-18**	**Jun-18**	**Jul-18**	**Aug-18**
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 2017	n/a	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**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 2017	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**1550**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	625	n/a	n/a	n/a	n/a	n/a
	Change from same week 2017	(1150)	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**588**	**0**	**(175)**	**n/a**	**n/a**	**n/a**
	Change from last week	538	n/a	n/a	n/a	n/a	n/a
	Change from same week 2017	(288)	(500)	(275)	n/a	n/a	n/a

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

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 Shipments[1]

March, 2018	Origin region[3]	Destination region[3]	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[4]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,883	$96	$39.51	$1.08	4
	Grand Forks, ND	Duluth-Superior, MN	$4,143	$0	$41.14	$1.12	0
	Wichita, KS	Los Angeles, CA	$7,050	$0	$70.01	$1.91	1
	Wichita, KS	New Orleans, LA	$4,540	$169	$46.76	$1.27	5
	Sioux Falls, SD	Galveston-Houston, TX	$6,786	$0	$67.39	$1.83	1
	Northwest KS	Galveston-Houston, TX	$4,816	$185	$49.66	$1.35	5
	Amarillo, TX	Los Angeles, CA	$5,021	$258	$52.42	$1.43	5
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,931	$191	$40.93	$1.04	9
	Toledo, OH	Raleigh, NC	$6,344	$0	$63.00	$1.60	5
	Des Moines, IA	Davenport, IA	$2,258	$40	$22.82	$0.58	1
	Indianapolis, IN	Atlanta, GA	$5,446	$0	$54.08	$1.37	5
	Indianapolis, IN	Knoxville, TN	$4,540	$0	$45.08	$1.15	5
	Des Moines, IA	Little Rock, AR	$3,609	$119	$37.02	$0.94	4
	Des Moines, IA	Los Angeles, CA	$5,327	$346	$56.34	$1.43	5
Soybeans	Minneapolis, MN	New Orleans, LA	$4,131	$179	$42.80	$1.16	16
	Toledo, OH	Huntsville, AL	$5,287	$0	$52.50	$1.43	5
	Indianapolis, IN	Raleigh, NC	$6,460	$0	$64.15	$1.75	5
	Indianapolis, IN	Huntsville, AL	$4,764	$0	$47.31	$1.29	5
	Champaign-Urbana, IL	New Orleans, LA	$4,745	$191	$49.02	$1.33	7
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,953	$0	$39.26	$1.07	0
	Wichita, KS	Galveston-Houston, TX	$4,171	$0	$41.42	$1.13	2
	Chicago, IL	Albany, NY	$5,663	$0	$56.24	$1.53	3
	Grand Forks, ND	Portland, OR	$5,611	$0	$55.72	$1.52	0
	Grand Forks, ND	Galveston-Houston, TX	$5,931	$0	$58.90	$1.60	0
	Northwest KS	Portland, OR	$5,812	$304	$60.73	$1.65	5
Corn	Minneapolis, MN	Portland, OR	$5,000	$0	$49.65	$1.26	0
	Sioux Falls, SD	Tacoma, WA	$4,960	$0	$49.26	$1.25	0
	Champaign-Urbana, IL	New Orleans, LA	$3,731	$191	$38.95	$0.99	10
	Lincoln, NE	Galveston-Houston, TX	$3,700	$0	$36.74	$0.93	0
	Des Moines, IA	Amarillo, TX	$3,970	$150	$40.91	$1.04	4
	Minneapolis, MN	Tacoma, WA	$5,000	$0	$49.65	$1.26	0
	Council Bluffs, IA	Stockton, CA	$4,820	$0	$47.86	$1.22	2
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,600	$0	$55.61	$1.51	0
	Minneapolis, MN	Portland, OR	$5,650	$0	$56.11	$1.53	0
	Fargo, ND	Tacoma, WA	$5,500	$0	$54.62	$1.49	0
	Council Bluffs, IA	New Orleans, LA	$4,775	$220	$49.61	$1.35	8
	Toledo, OH	Huntsville, AL	$4,352	$0	$43.22	$1.18	3
	Grand Island, NE	Portland, OR	$5,710	$311	$59.79	$1.63	7

[1]A unit train refers to shipments of at least 25 cars. Shuttle train rates are generally available for qualified shipments of 75-120 cars that meet railroad efficiency requirements.

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

[3]Regional economic areas are defined by the Bureau of Economic Analysis (BEA)

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

Table 8

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

Commodity	Origin state	Destination region	Tariff rate/car[1]	Fuel surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	Tariff plus surcharge per: bushel[3]	Percent change[4] Y/Y
Date: March, 2018							
Wheat	MT	Chihuahua, CI	$7,459	$0	$76.21	$2.07	0
	OK	Cuautitlan, EM	$6,631	$132	$69.10	$1.88	1
	KS	Guadalajara, JA	$7,309	$311	$77.85	$2.12	2
	TX	Salinas Victoria, NL	$4,292	$80	$44.67	$1.21	2
Corn	IA	Guadalajara, JA	$8,313	$284	$87.85	$2.23	2
	SD	Celaya, GJ	$7,700	$0	$78.68	$2.00	2
	NE	Queretaro, QA	$8,013	$271	$84.64	$2.15	3
	SD	Salinas Victoria, NL	$6,743	$0	$68.90	$1.75	2
	MO	Tlalnepantla, EM	$7,379	$264	$78.09	$1.98	3
	SD	Torreon, CU	$7,300	$0	$74.59	$1.89	2
Soybeans	MO	Bojay (Tula), HG	$8,134	$265	$85.81	$2.33	-5
	NE	Guadalajara, JA	$8,692	$290	$91.76	$2.49	-2
	IA	El Castillo, JA	$8,960	$0	$91.55	$2.49	0
	KS	Torreon, CU	$7,489	$214	$78.70	$2.14	1
Sorghum	NE	Celaya, GJ	$7,345	$264	$77.74	$1.97	3
	KS	Queretaro, QA	$7,819	$165	$81.58	$2.07	4
	NE	Salinas Victoria, NL	$6,452	$133	$67.28	$1.71	5
	NE	Torreon, CU	$6,790	$207	$71.48	$1.81	4

[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

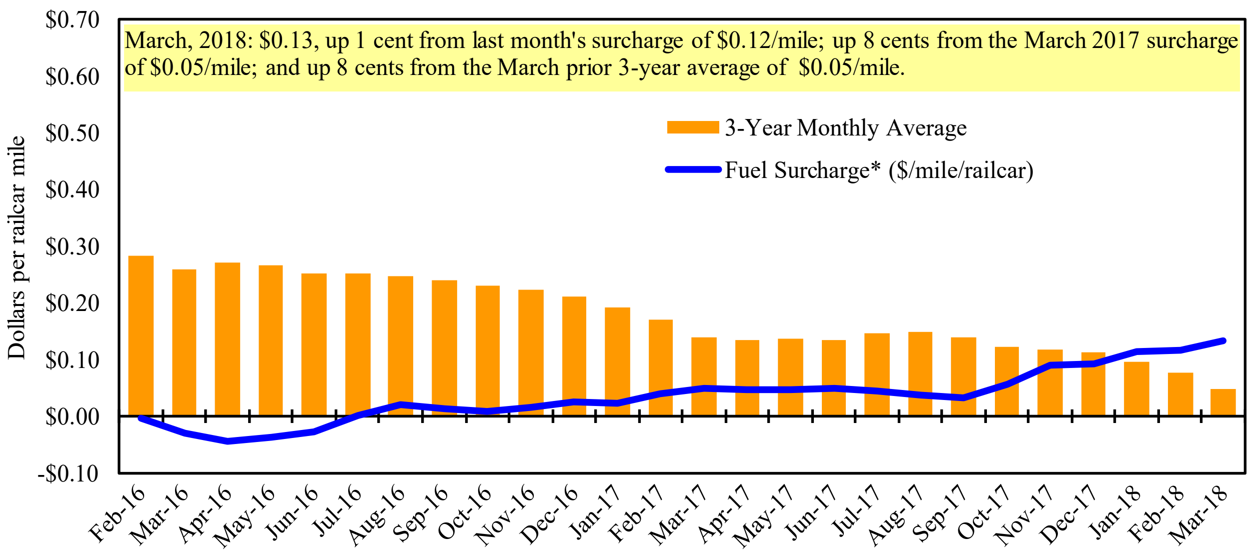
[3] Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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

Figure 7

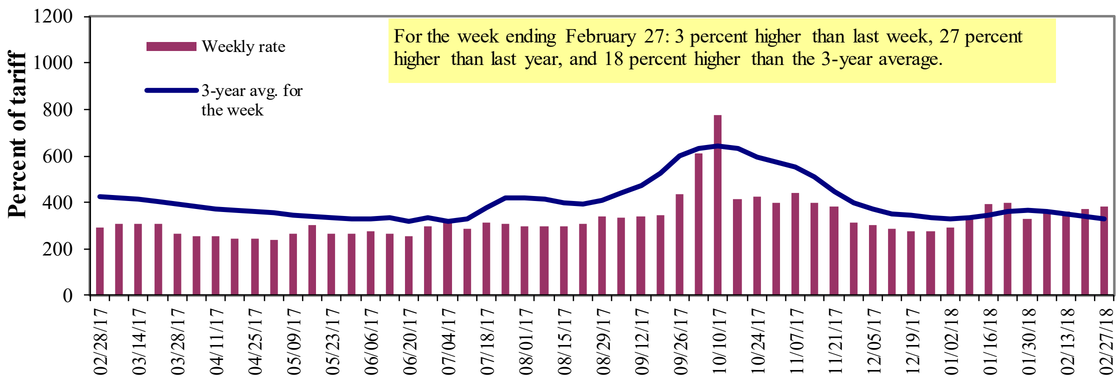
Railroad Fuel Surcharges, North American Weighted Average[1]



[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.
* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.
**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]



[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	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	2/27/2018	-	-	390	297	-	-	244
	2/20/2018	-	-	380	293	325	325	220
$/ton	2/27/2018	-	-	18.10	11.85	-	-	7.66
	2/20/2018	-	-	17.63	11.69	15.24	13.13	6.91
Current week % change from the same week:								
	Last year	-	-	27	40	-	-	34
	3-year avg. [2]	-	-	18	32	-	-	28
Rate[1]	March	-	392	388	296	-	-	239
	May	422	369	353	271	288	288	234

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

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.

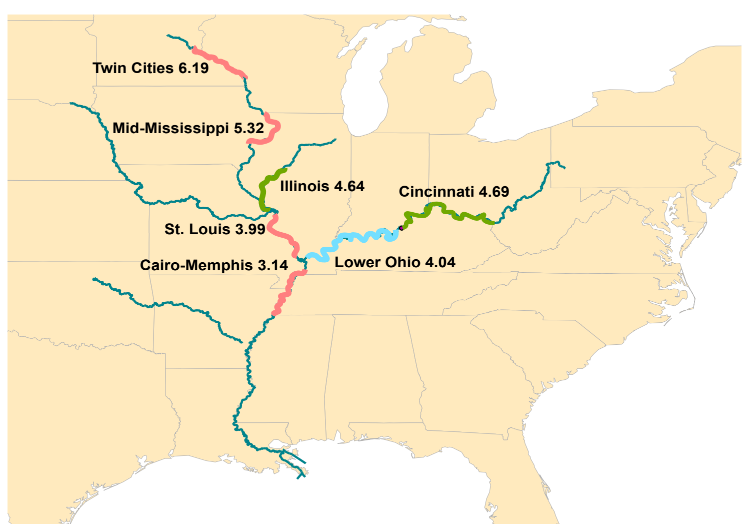
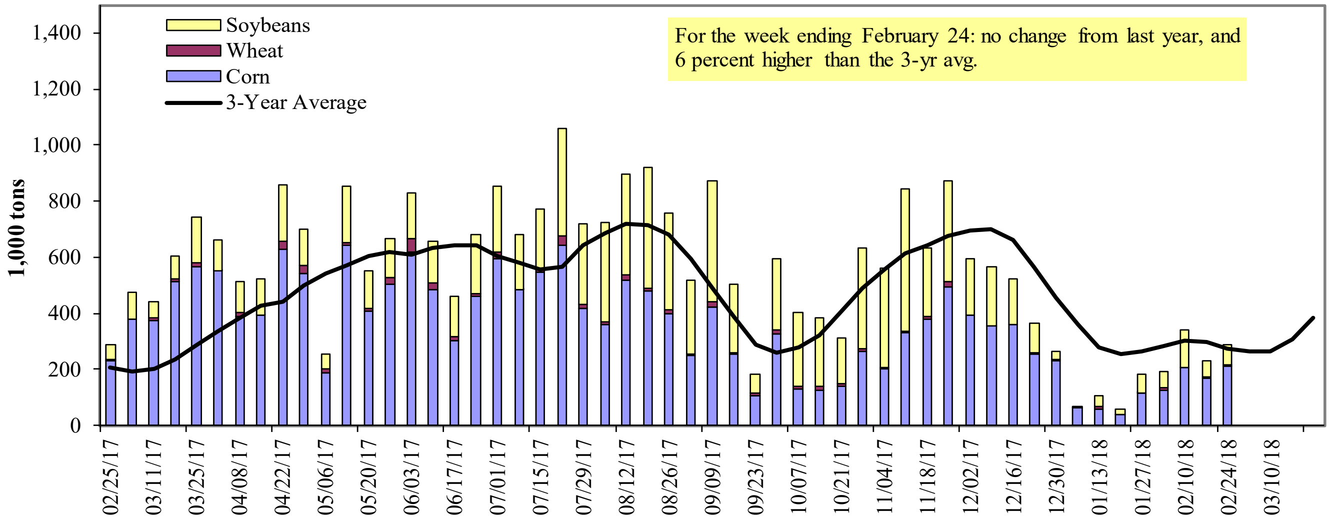


Figure 10

Barge Movements on the Mississippi 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

Table 10

Barge Grain Movements (1,000 tons)

For the week ending 02/24/2018	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	26	0	10	0	35
Alton, IL (L26)	201	5	67	2	273
Granite City, IL (L27)	210	6	74	2	292
Illinois River (L8)	213	8	75	0	296
Ohio River (L52)	66	4	29	0	98
Arkansas River (L1)	0	15	13	0	28
Weekly total - 2018	276	25	116	2	418
Weekly total - 2017	346	34	150	9	538
2018 YTD[1]	1,749	203	1,966	25	3,942
2017 YTD	2,752	269	2,369	117	5,507
2018 as % of 2017 YTD	64	76	83	21	72
Last 4 weeks as % of 2017[2]	78	106	107	46	90
Total 2017	22,242	2,210	16,123	360	40,936

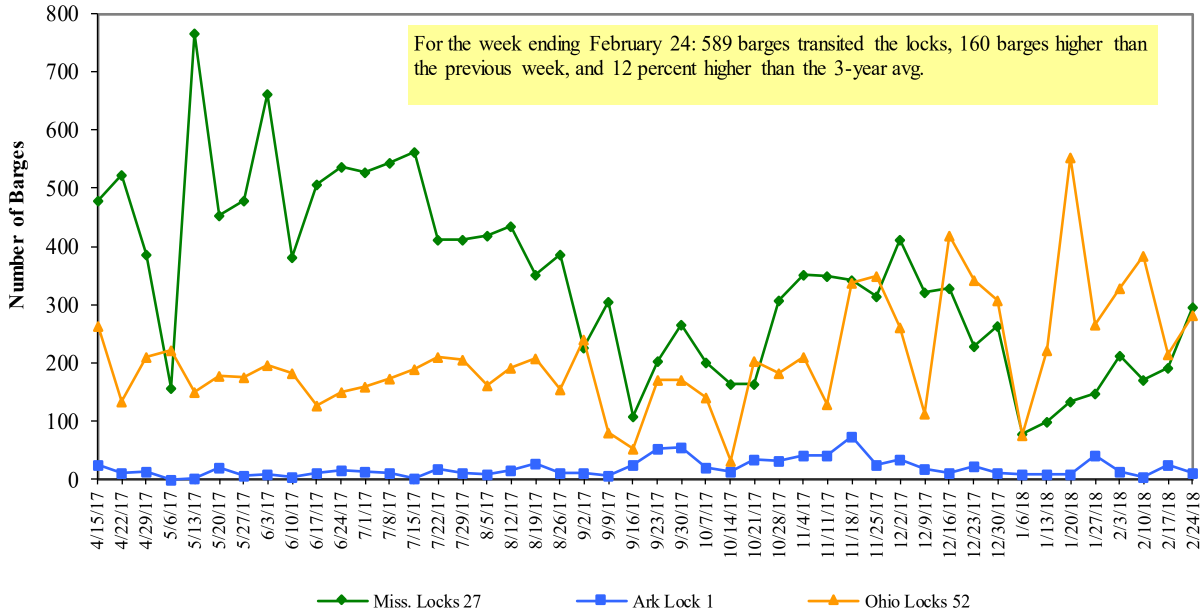
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[2] As a percent of same period in 2017.

Note: Total may not add exactly, due to rounding.
Source: U.S. Army Corps of Engineers

Figure 11

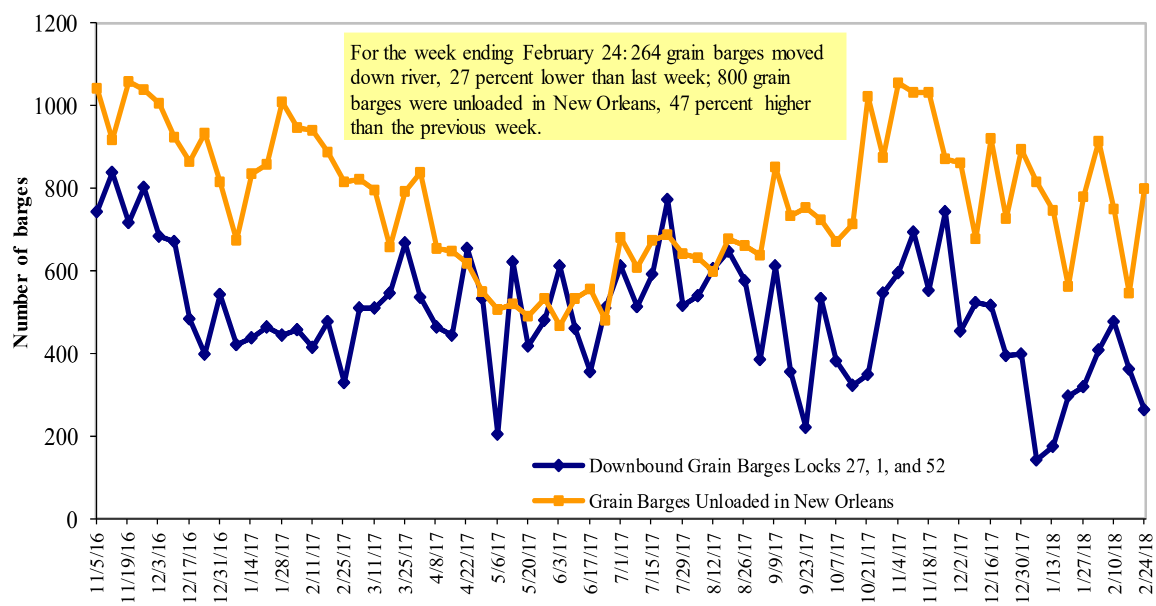
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices, Week Ending 2/26/2018 (US $/gallon)

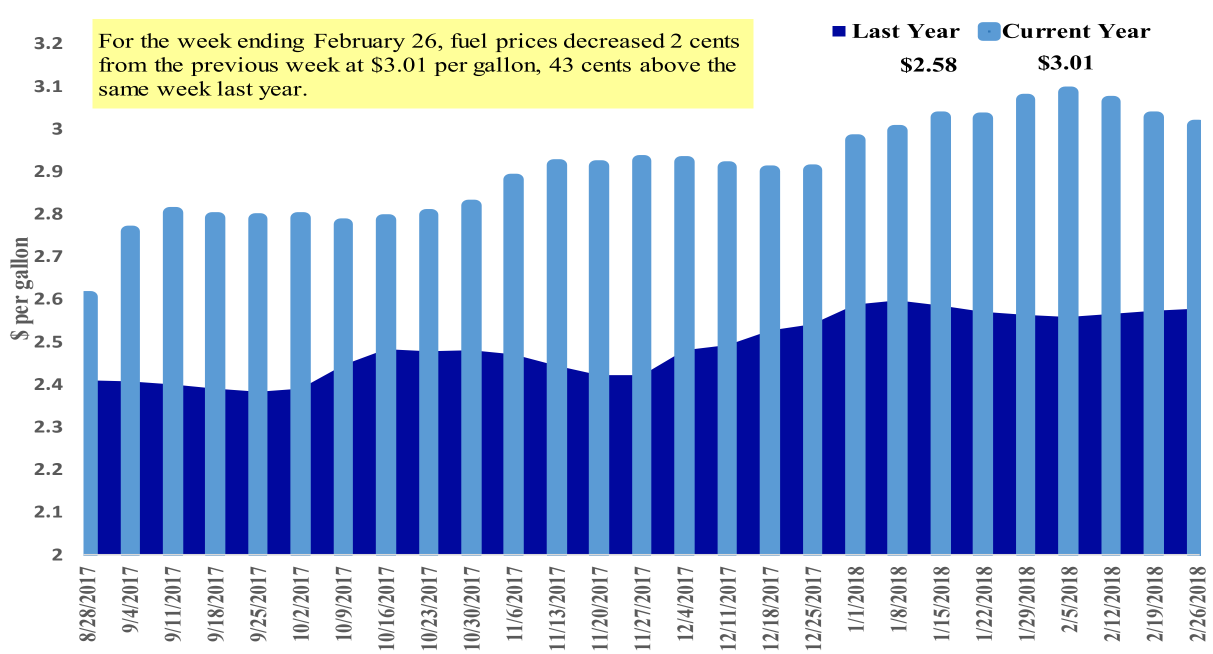
Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.057	-0.025	0.422
	New England	3.127	-0.002	0.469
	Central Atlantic	3.255	-0.019	0.483
	Lower Atlantic	2.906	-0.033	0.373
II	Midwest[2]	2.947	-0.023	0.448
III	Gulf Coast[3]	2.797	-0.021	0.364
IV	Rocky Mountain	2.936	-0.017	0.354
V	West Coast	3.397	-0.002	0.520
	West Coast less California	3.064	-0.008	0.292
	California	3.660	0.002	0.698
Total	U.S.	3.007	-0.020	0.430

[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
For the week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
2/15/2018	1,636	647	1,493	956	78	4,810	21,063	7,770	33,642
This week year ago	2,306	564	2,437	1,414	111	6,833	19,458	9,569	35,860
Cumulative exports-marketing year[2]									
2017/18 YTD	6,971	1,511	4,140	3,739	273	16,635	16,489	36,943	70,067
2016/17 YTD	7,597	1,554	5,216	2,881	306	17,553	23,258	42,506	83,317
YTD 2017/18 as % of 2016/17	92	97	79	130	89	95	71	87	84
Last 4 wks as % of same period 2016/17	80	121	59	66	63	73	102	95	94
2016/17 Total	11,096	2,285	7,923	4,254	484	26,042	41,864	51,156	119,062
2015/16 Total	5,538	3,057	6,285	3,551	670	19,101	45,564	49,821	114,486

[1] Current unshipped (outstanding) export sales to date

[2] Shipped export sales to date; new marketing year now in effect for wheat, 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

For the week ending 2/15/2018	Total Commitments[2] 2017/18 Current MY	Total Commitments[2] 2016/17 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2014-2016
Mexico	10,729	10,551	2	12,297
Japan	6,199	7,745	(20)	11,450
Korea	2,227	3,505	(36)	4,494
Colombia	2,705	2,908	(7)	4,179
Peru	2,046	2,090	(2)	2,693
Top 5 Importers	**23,905**	**26,799**	**(11)**	**35,113**
Total US corn export sales	**37,551**	**42,716**	**(12)**	**49,308**
% of Projected	72%	73%		
Change from prior week[2]	**1,555**	**743**		
Top 5 importers' share of U.S. corn export sales	64%	63%		71%
USDA forecast, February 2018	**52,163**	**58,346**	**(11)**	
Corn Use for Ethanol USDA forecast, February 2018	**140,335**	**138,151**	**2**	

[1]Based on FAS Marketing Year Ranking Reports for 2016/17 - 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/. Total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales.

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

Table 14

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

For the week ending 2/15/2018	Total Commitments[2] 2017/18 Current MY	2016/17 Last MY	% change current MY from last MY	Exports[3] 3-yr avg. 2014-2016
	- 1,000 mt -			- 1,000 mt -
China	26,201	34,051	(23)	31,881
Mexico	2,850	2,769	3	3,452
Indonesia	1,255	1,321	(5)	1,987
Japan	1,495	1,584	(6)	2,067
Netherlands	916	1,105	(17)	2,098
Top 5 importers	**32,717**	**40,830**	**(20)**	**41,486**
Total US soybean export sales	**44,713**	**52,075**	**(14)**	**52,919**
% of Projected	78%	88%		
Change from prior week[2]	**(109)**	**337**		
Top 5 importers' share of U.S. soybean export sales	73%	78%		**78%**
USDA forecast, February 2018	**57,221**	**59,237**	**97**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports for 2016/17 - 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/. The total commitments change (net sales) from prior week could include reivisions from previous week's outstanding sales and/or accumulated sales

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

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

For the week ending 2/15/2018	Total Commitments[2] 2017/18 Current MY	2016/17 Last MY	% change current MY from last MY	Exports[3] 3-yr avg 2014-2016
	- 1,000 mt -			- 1,000 mt -
Japan	2,563	2,266	13	2,620
Mexico	2,669	2,640	1	2,743
Philippines	2,422	2,270	7	2,395
Brazil	111	1,126	(90)	862
Nigeria	1,051	1,258	(16)	1,254
Korea	1,313	1,190	10	1,104
China	890	1,061	(16)	1,623
Taiwan	1,008	889	13	768
Indonesia	1,163	848	37	726
Colombia	558	717	(22)	635
Top 10 importers	**13,748**	**14,265**	(4)	**14,729**
Total US wheat export sales	**21,444**	**24,386**	**(12)**	**22,804**
% of Projected	83%	85%		
Change from prior week[2]	**329**	**451**		
Top 10 importers' share of U.S. wheat export sales	64%	58%		65%
USDA forecast, February 2018	**25,886**	**28,747**	**(10)**	

(n) indicates negative number.

[1] Based on FAS Marketing Year Ranking Reports for 2016/17 - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. Total commitments change (net sales) from prior week could include revisions from the previous week's outstanding and/or accumulated sales

[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	For the Week Ending 02/22/18	Previous Week[1]	Current Week as % of Previous	2018 YTD	2017 YTD	2018 YTD as % of 2017 YTD	Last 4-weeks as % of: Last Year	Last 4-weeks as % of: Prior 3-yr. avg.	2017 Total
Pacific Northwest									
Wheat	197	181	109	1,744	1,685	103	79	80	14,805
Corn	444	301	147	2,082	1,696	123	150	223	10,928
Soybeans	209	210	99	2,499	2,498	100	101	81	13,246
Total	**850**	**693**	**123**	**6,325**	**5,879**	**108**	**107**	**108**	**38,978**
Mississippi Gulf									
Wheat	35	124	29	597	674	89	67	83	4,198
Corn	712	491	145	3,722	5,549	67	64	91	28,690
Soybeans	480	618	78	5,581	6,401	87	94	84	32,911
Total	**1,227**	**1,232**	**100**	**9,900**	**12,624**	**78**	**77**	**87**	**65,800**
Texas Gulf									
Wheat	55	80	69	711	851	83	78	135	6,354
Corn	0	0	n/a	63	181	35	49	42	733
Soybeans	0	0	n/a	0	0	n/a	n/a	0	292
Total	**55**	**80**	**69**	**773**	**1,032**	**75**	**75**	**109**	**7,379**
Interior									
Wheat	7	62	11	234	292	80	113	143	1,727
Corn	128	130	98	1,029	1,037	99	96	116	8,733
Soybeans	93	112	83	821	862	95	97	109	5,496
Total	**228**	**304**	**75**	**2,085**	**2,192**	**95**	**98**	**116**	**15,956**
Great Lakes									
Wheat	0	0	n/a	19	0	n/a	n/a	0	711
Corn	0	0	n/a	0	0	n/a	n/a	n/a	192
Soybeans	0	0	n/a	0	0	n/a	n/a	n/a	890
Total	**0**	**0**	**n/a**	**19**	**0**	**n/a**	**n/a**	**0**	**1,793**
Atlantic									
Wheat	0	0	n/a	0	36	0	0	0	46
Corn	0	0	n/a	0	0	n/a	n/a	0	32
Soybeans	20	72	27	366	506	72	130	83	1,996
Total	**20**	**72**	**27**	**366**	**541**	**68**	**107**	**73**	**2,075**
U.S. total from ports									
Wheat	295	447	66	3,305	3,539	93	77	92	27,841
Corn	1,283	922	139	6,896	8,462	81	83	116	49,308
Soybeans	801	1,012	79	9,267	10,267	90	97	85	54,831
Total	**2,379**	**2,381**	**100**	**19,468**	**22,268**	**87**	**88**	**96**	**131,980**

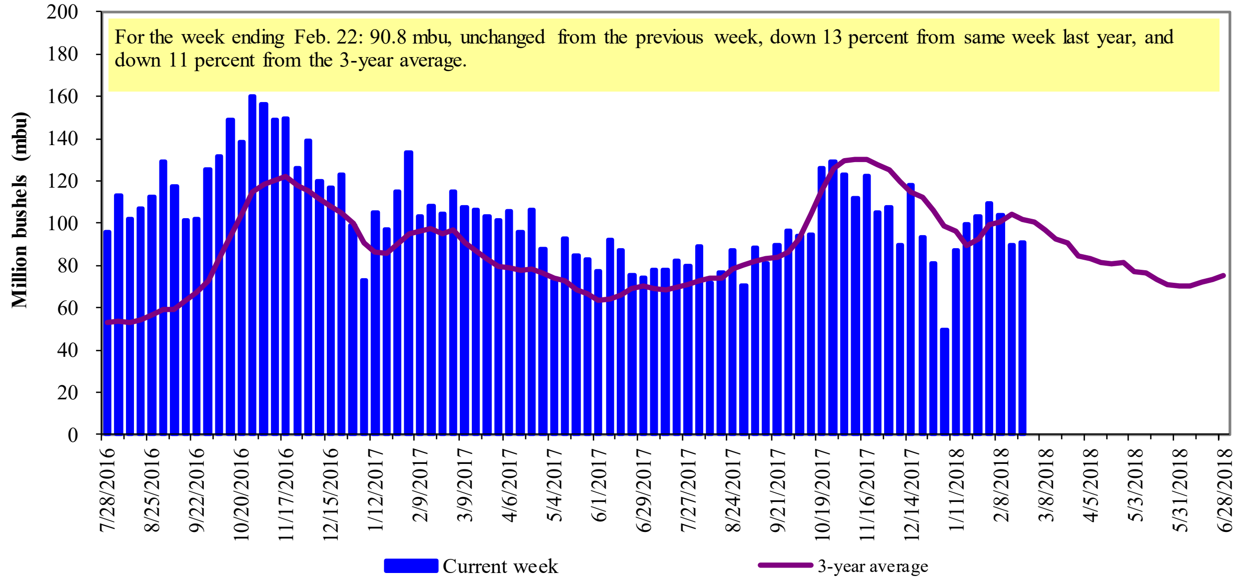
[1] Data includes revisions from prior weeks; some regional and U.S. totals may not add exactly due to rounding.

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 55 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2017.

Figure 14

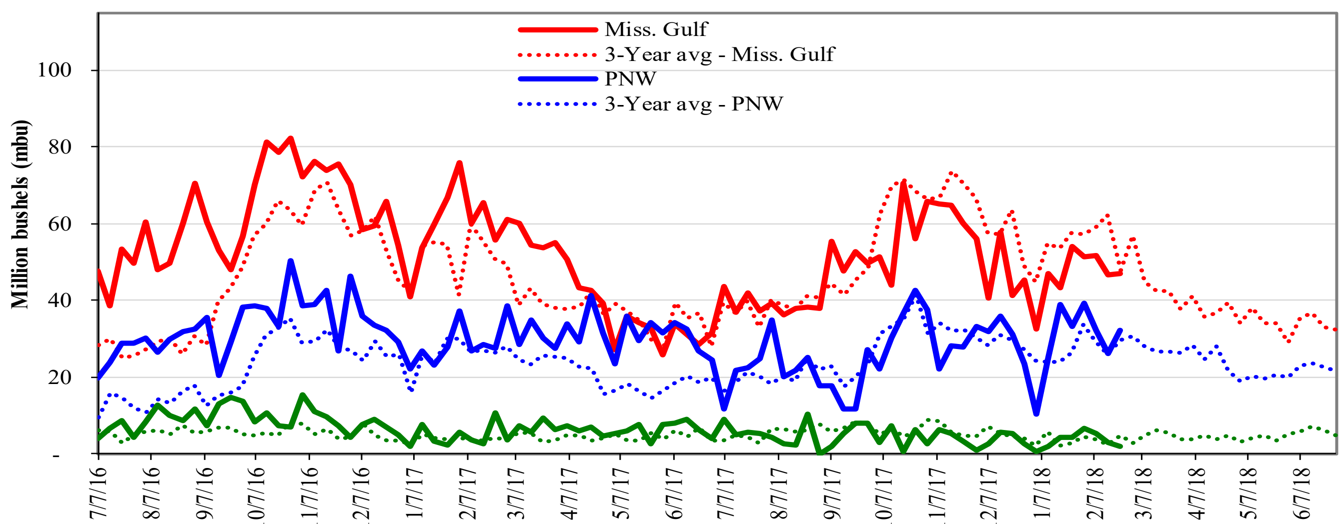
U.S. grain inspected for export (wheat, corn, and soybeans)



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)



Week ending 02/22/18 inspections (mbu):	
Mississippi Gulf:	46.9
PNW:	32.4
Texas Gulf:	2.0

Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last Week:	unchanged	down 31	down 1	up 23
Last Year (same week):	down 16	down 81	down 26	up 17
3-yr avg. (4-wk. mov. Avg):	down 17	down 49	down 19	up 9

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

Ocean Transportation

Table 17

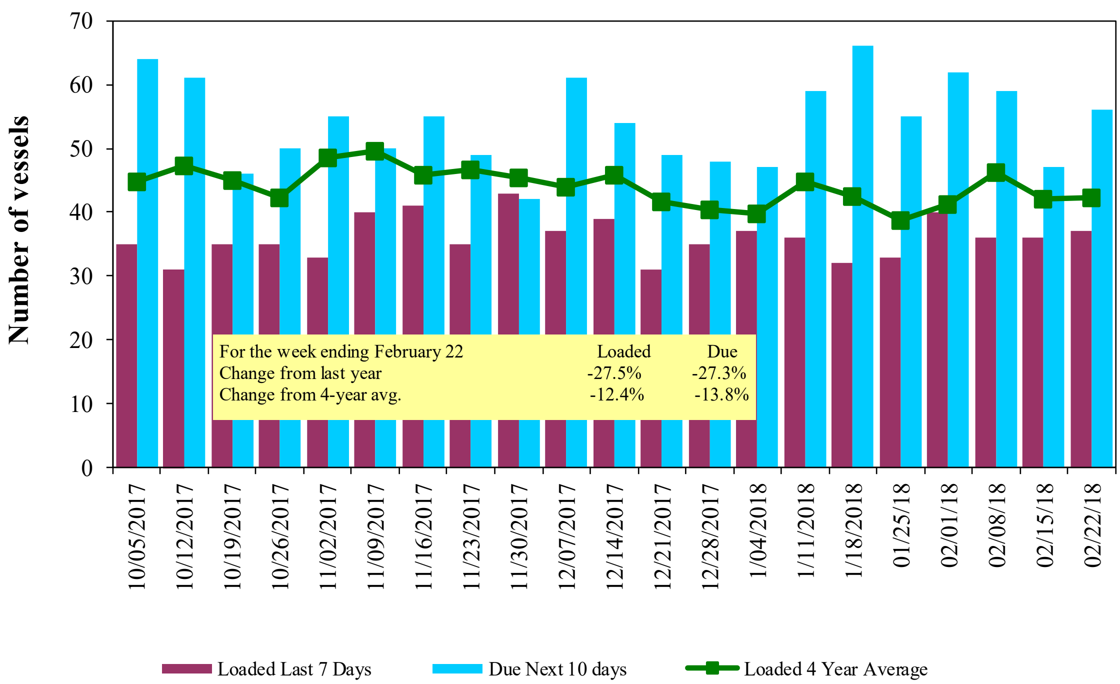
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest
Date	In port	Loaded 7-days	Due next 10-days	In port
2/22/2018	68	37	56	19
2/15/2018	57	36	47	23
2017 range	(25..66)	(28..54)	(37..87)	(5..44)
2017 avg.	46	38	56	20

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

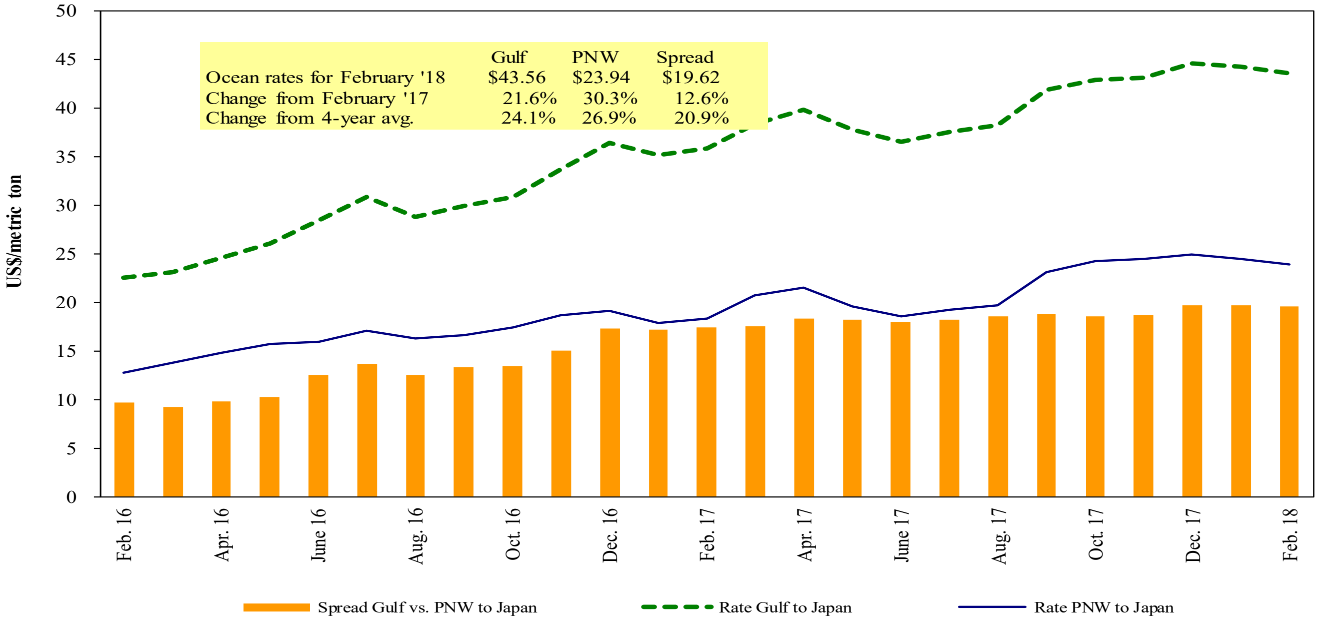
U.S. Gulf Vessel Loading Activity



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



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 02/24/2018

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Jan 1/10	60,000	45.50
U.S. Gulf	China	Heavy Grain	Dec 15/20	60,000	44.00
U.S. Gulf	China	Heavy Grain	Dec 10/20	60,000	43.25
U.S. Gulf	China	Heavy Grain	Nov 27/Dec 5	47,700	40.50
U.S. Gulf	China	Heavy Grain	Nov 20/30	66,000	41.25
U.S. Gulf	China	Heavy Grain	Nov 20/30	66,000	42.00
U.S. Gulf	China	Heavy Grain	Nov 15/25	65,000	43.85
U.S. Gulf	China	Heavy Grain	Nov 10/20	66,000	43.75
U.S. Gulf	Djibouti	Sorghum	Apr 10/20	5,000	136.11*
U.S. Gulf	Djibouti	Wheat	Apr 10/20	34,000	136.11*
PNW	Bangladesh	Wheat	Apr 6/16	43,500	46.61*
PNW	China	Heavy Grain	Dec 23/30	60,000	22.25
PNW	China	Heavy Grain	Dec 15/24	60,000	23.75
PNW	South Korea	Heavy Grain	Dec 14/20	60,000	24.00
Brazil	China	Heavy Grain	Mar 1/10	66,000	30.00
Brazil	China	Heavy Grain	Dec 1/10	60,000	31.90
Brazil	South Korea	Heavy Grain	Nov 22/29	63,000	33.25
France	Morocco	Heavy Grain	Jan 6/12	30,000	15.00
Portugal	China	Heavy Grain	Feb 10	65,000	38.00

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

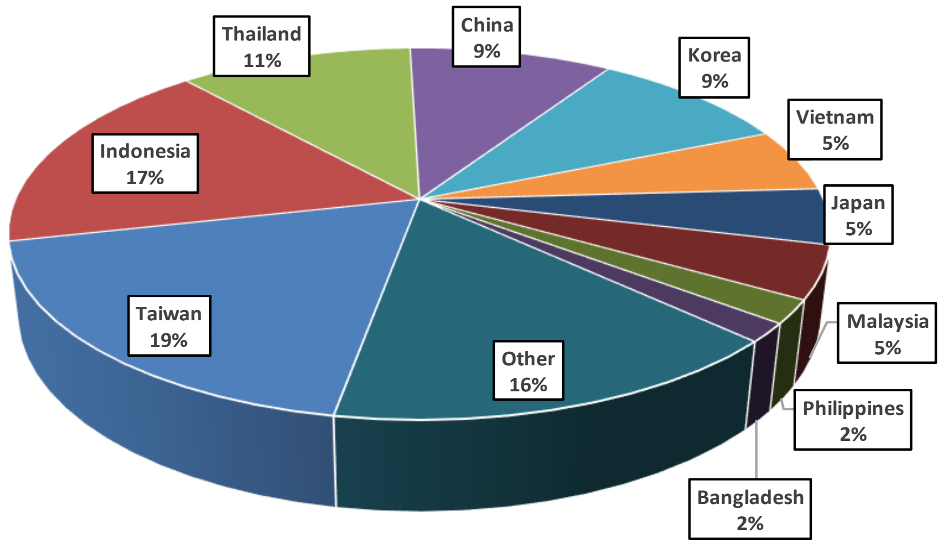
*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2017, containers were used to transport 7 percent of total U.S. waterborne grain exports. Approximately 62 percent of U.S. waterborne grain exports in 2017 went to Asia, of which 10 percent were moved in containers. Approximately 93 percent of U.S. waterborne containerized grain exports were destined for Asia.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, January-December 2017

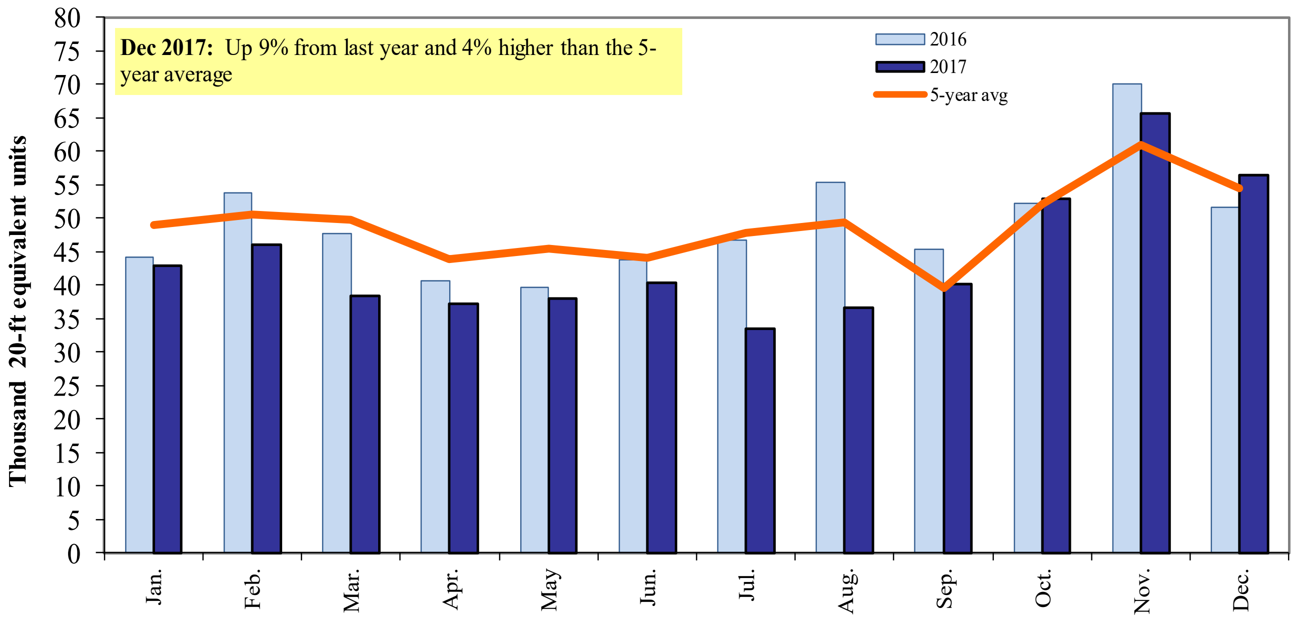


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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, 110220, 110290, 120100, 120810, 230210, 230310, 230330, and 230990.

Contacts and Links

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Weekly Highlight Editors		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 720 - 7880
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Rail Transportation		
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Jesse Gastelle	jesse.gastelle@ams.usda.gov	(202) 690 - 1144
Peter Caffarelli	petera.caffarelli@ams.usda.gov	(202) 690 - 3244
Barge Transportation		
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 720 - 7880
Matt Chang	matt.chang@ams.usda.gov	(202) 720 - 0299
Truck Transportation		
April Taylor	april.taylor@ams.usda.gov	(202) 720 - 7880
Sergio Sotelo	sergioa.sotelo@ams.usda.gov	(202) 756 - 2577
Grain Exports		
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 720 - 7880

Subscription Information: Send relevant information to **GTRContactUs@ams.usda.gov** for an electronic copy *(printed copies are also available upon request)*.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* March 1, 2018. Web: **http://dx.doi.org/10.9752/TS056.03-01-2018**