United States Department of Agriculture

Grain Transportation Report

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

Contact Us

March 15, 2018

Contents

The next release is March 22, 2018

WEEKLY HIGHLIGHTS

STB Updates Rules on Ex Parte Communications in Informal Rulemaking Proceedings

On February 28, the Surface Transportation Board (STB) released a decision in EP 739, Ex Parte Communications in Informal Rulemaking Proceedings, to permit ex parte communications (i.e., without the knowledge or consent of the parties to the proceeding) in informal rulemaking proceedings, subject to disclosure requirements. STB also adopted other changes to its ex parte rules that clarify and update when and how interested persons may communicate informally with the Board, regarding pending proceedings other than rulemaking. The intent of the modified regulations is to enhance STB's ability to make informed decisions, through increased stakeholder communications, while ensuring STB's record-building process in rulemaking proceedings remains transparent and fair.

Pacific Northwest Grain Inspections Rebound

For the week ending March 8, **total inspections of grain** (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.72 million metric tons (mmt); up 11 percent from the previous week, down 10 percent from last year, and 4 percent above the 3-year average. Total inspections of corn remained strong, with week-to-week inspections increasing 41 percent. Corn exports increased primarily to Asian destinations. Inspections of wheat and soybeans receded 18 and 3 percent, respectively, from the past week. Pacific Northwest (PNW) grain inspections jumped 161 percent from the previous week, with increases for each of the three major grains. Rail deliveries of grain to PNW ports were also up from the previous week; increasing 25 percent. Mississippi Gulf inspections decreased 19 percent from week to week. Current outstanding (unshipped) export sales were up for corn, wheat, and soybeans.

NGFA Announces the Opening of the Mid-Mississippi River

On March 9, 2018, the National Grain and Feed Association (NGFA) announced the opening of the Mid-Mississippi River. According to NGFA trade rules, the opening of the Mid-Mississippi River begins on "the first business day after the first empty dry cargo covered barge suitable for loading, originating at or below Winfield, MO, reaches Dubuque, Iowa." This is an annual announcement that is useful to the grain industry because it signifies the availability of grain for the barge market. For additional information on current navigation conditions, see this week's feature article.

FMCSA Announces New ELD Waiver for Transporters of Agricultural Commodities

On March 13^{th} , The U.S. Department of Transportation's (DOT) Federal Motor Carrier Safety Administration (FMCSA) announced an additional 90-day temporary waiver from the Electronic Logging Device (ELD) rule for agriculture related transportation. The ELD rule went into effect in December 2017, with DOT granting the agriculture industry an initial exemption that was set to expire on March 18, 2018. With the granting of another extension, the agriculture industry will now have additional time to comply. During this time period, FMCSA will publish final guidance on both the agricultural 150 air-mile hours-of-service exemption and personal conveyance. FMCSA will continue its outreach to provide assistance to the agricultural industry and community regarding the ELD rule.

Snapshots by Sector

Export Sales

For the week ending March 1, **unshipped balances** of wheat, corn, and soybeans totaled 36.3 mmt, up 10 percent from the same time last year. Net weekly **wheat export sales** were .391 mmt, up 105 percent from the previous week. Net **corn export sales** were 1.86 mmt, up 8 percent from the previous week. Net **soybean export sales** totaled 2.51 mmt, up notably from the previous week.

Rail

U.S. Class I railroads originated 23,198 **grain carloads** for the week ending March 3; up 15 percent from the previous week, down 3 percent from last year, and up 4 percent from the 3-year average.

Average March shuttle **secondary railcar** bids/offers, per car, were $1,350 above tariff for the week ending March 8, up $633 from last week, and $950 higher than last year. There were no non-shuttle bids/offers this week.

Barge

For the week ending March 10, **barge grain movements** totaled 359,479 tons, 7 percent lower than the previous week, and down 58 percent from the same period last year.

For the week ending March 10, 253 grain barges **moved down river**, 1 barge higher than the previous week. There were 721 grain barges **unloaded in New Orleans**, 4 percent lower than the previous week.

Ocean

For the week ending March 8, 39 **ocean-going grain vessels** were loaded in the Gulf, 15 percent less than the same period last year. Sixty-seven vessels are expected to be loaded within the next 10 days, unchanged from the same period last year.

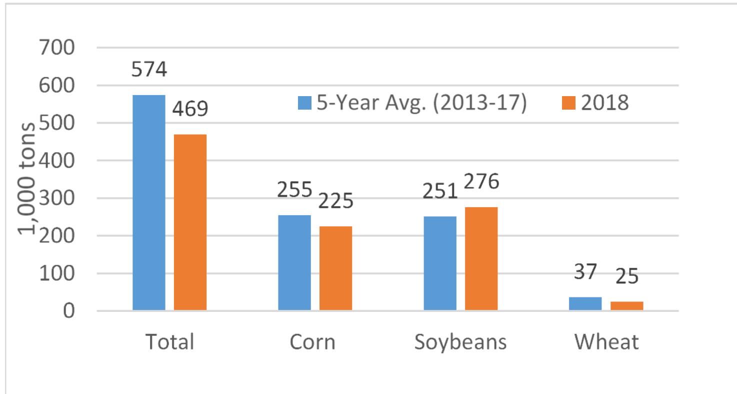
For the week ending March 8, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $45.00 per metric ton, up 1 percent from the previous week. The cost of shipping from the PNW to Japan was $24.00 per metric ton, unchanged from the previous week.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report*. March 15, 2018.
Web: **http://dx.doi.org/10.9752/TS056.03-15-2018**

Flooding Disrupts Barge Traffic and Raises Rates

During the first quarter of 2018, less-than-ideal navigation conditions have affected the barge industry, including ice accumulations and both low and high water conditions at different times throughout the quarter. Year-to-date grain barge shipments are 35 percent lower than last year and 18 percent lower than the 5-year average.[1] Figure 1 shows the average weekly grain barge tonnages for the first 10 weeks of 2018 compared to the five-year average for the same period.

Figure 1: Average weekly barge shipments: First 10 weeks



Source: U.S. Army Corps of Engineers

Barge freight rates were relatively steady for most of the first quarter. However, the recent high water events slowed barge logistics, tightening the barge supply while raising spot rates. As of March 13, barge spot rates for export grain at major origin locations increased 46 to 62 percent in the last two weeks. For example, on March 13, the spot barge rate for export grain at St. Louis was 458 percent of tariff ($18.27 per ton), 54 percent higher than 297 percent of tariff ($11.85 per ton) reported on February 27. The current rates are at levels not seen since early October 2017, during the corn and soybean harvest.

During the first half of February, stretches along the Mississippi River System faced low water conditions, as portions of Iowa, Missouri, and Illinois experienced moderate to severe drought conditions. However, river conditions drastically changed during the last half of February when persistent rains fell from the middle to lower Mississippi River Valley, eastward to the Ohio River Valley. This sparked flash flooding and pushed creeks and streams out of their banks, bringing extensive flooding to major rivers in the area. By February 25, the Ohio River between Cincinnati, OH, and Evansville, IN, reached its highest water level since March 1997. At the same time, high water events also occurred on the Illinois and lower Mississippi rivers. The high water created hazardous navigation conditions on both rivers that, in some cases, temporarily closed a few locks and dams operated by the U.S. Army Corps of Engineers (Corps) or required restricted barge operations. Navigational restrictions, such as daylight only movements, are set by the Waterway Action Plan, which is a joint effort of the U.S. Coast Guard, Corps, and senior leaders of the towing industry.

Following is a brief description of river conditions at various locations. Figure 2 shows selected locations related to the 2018 floods.

[1] Grain barge shipments for this analysis are the sum of the weekly downbound grain barge shipments through the locking portions of the Mississippi, Ohio, and Arkansas Rivers.

Ohio River. During the flooding peak, several locks on the Ohio River were closed. However, by March 12, all locks closed by high flows were re-opened. The last lock to re-open was Smithland Lock and Dam (L&D). The Ohio River level at Cairo, IL, where the Ohio River flows into the Mississippi River, crested at 54.8 feet on March 3. River levels are forecast to remain above flood stage until March 18.[2] The 54.8-foot crest was the tenth highest on record for Cairo, with the highest being 61.7 feet on May 2, 2011.

Figure 2 – Selected locations related to 2018 flooding

Illinois River. As of March 14, normal operating conditions are returning to most of the Illinois River. The Illinois River at La Grange L&D crested at 26 feet on March 7. This was about 9 feet short of the record crest of 35 feet set on July 2, 2015. Upcoming scheduled repairs will close LaGrange Lock from March 23 to 28, and from April 2 to 6.

Upper Mississippi River. Rain events have not impacted the Upper Mississippi River as considerable portions of the river are closed during the winter. There has been a gradual northward opening of the river as temperatures rise ice accumulations melt. As of March 14, the northern-most report of barge traffic on the Mississippi River is at Lock and Dam 10, near Dubuque, IA.

Lower Mississippi River. Most of the high water issues for the central U.S. have abated and moved southward to the lower Mississippi River, causing high water conditions. There are no locks on the lower Mississippi River, which typically allows barge tows of 30 to 40 barges compared with 15 or less on the upper. However, with the high water conditions presently occurring on the lower Mississippi River, barge companies have reduced tow sizes to 25 to 30 barges. In addition, based on the Waterway Action Plan, the U.S. Coast Guard is now only allowing southbound barge movements during daylight hours through Memphis, Vicksburg, and Baton Rouge. Some industry sources suggest that this may persist for the remainder of March.

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[2] The word "crest" defines as the highest stage or level of a flood wave as it passes a particular point of high water level and stops rising.

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
For the week ending		Unit Train	Shuttle		Gulf	Pacific
03/14/18	200	275	272	317	201	170
03/07/18	201	275	245	263	199	170

[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

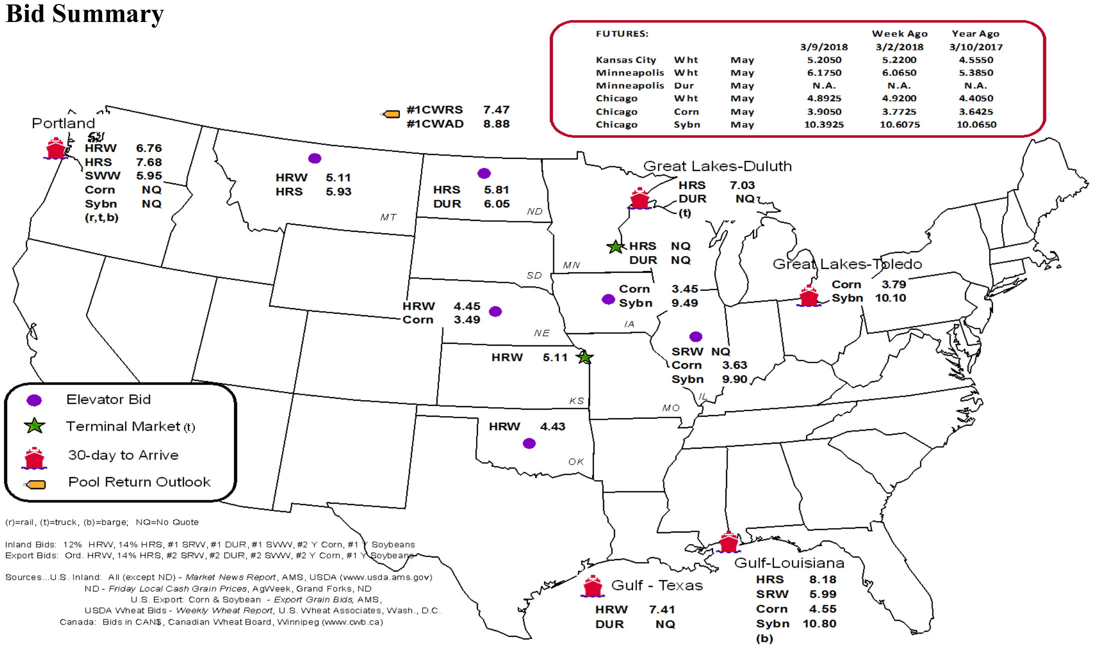
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	3/9/2018	3/2/2018
Corn	IL--Gulf	-0.92	-0.81
Corn	NE--Gulf	-1.06	-0.96
Soybean	IA--Gulf	-1.31	-1.27
HRW	KS--Gulf	-2.30	-2.22
HRS	ND--Portland	-1.87	-1.85

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]
03/07/2018[p]	367	1,427	6,489	345	8,628	3/3/2018	1,667
02/28/2018[r]	344	1,668	5,213	267	7,492	2/24/2018	1,301
2018 YTD[r]	4,797	14,998	61,144	2,729	83,668	2018 YTD	17,330
2017 YTD[r]	8,626	19,512	63,533	7,055	98,726	2017 YTD	20,147
2018 YTD as % of 2017 YTD	56	77	96	39	85	% change YTD	86
Last 4 weeks as % of 2017[2]	38	70	92	56	81	Last 4wks % 2017	84
Last 4 weeks as % of 4-year avg.[2]	43	89	104	46	91	Last 4wks % 4 yr	93
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.

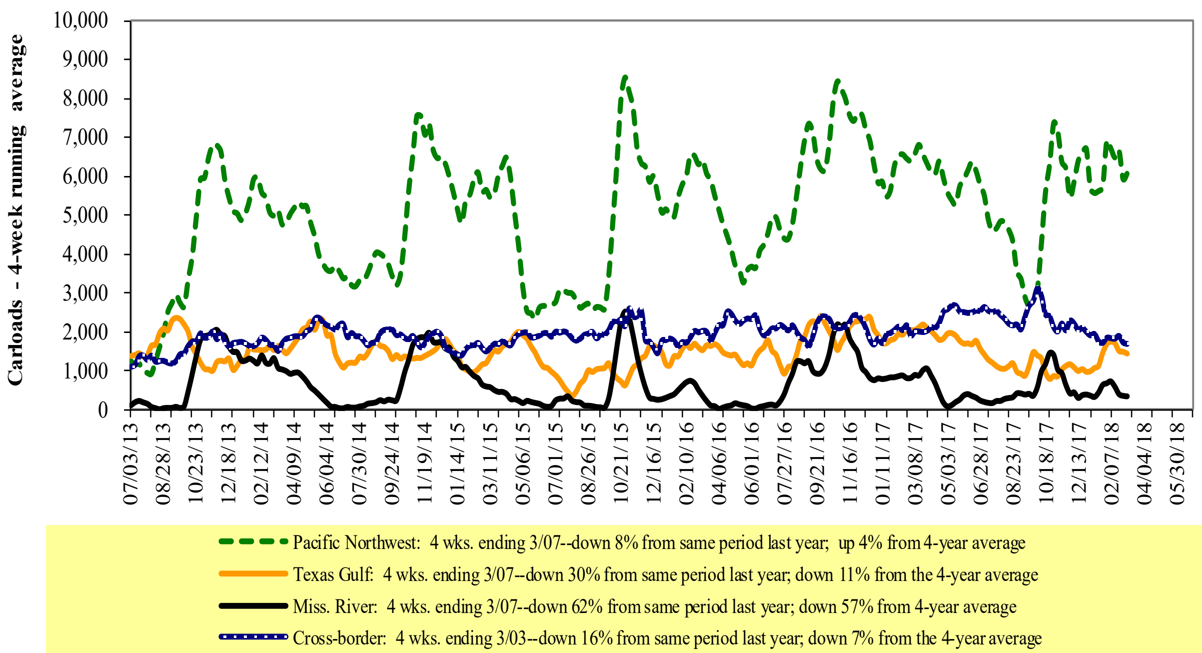
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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:	East		West			U.S. total	Canada	
3/3/2018	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,772	3,043	11,094	951	6,338	23,198	3,340	4,212
This week last year	1,505	2,761	12,093	1,264	6,372	23,995	4,992	4,152
2018 YTD	16,093	21,932	102,787	8,840	46,302	195,954	29,950	37,301
2017 YTD	17,911	25,284	100,204	9,359	54,825	207,583	35,131	37,318
2018 YTD as % of 2017 YTD	90	87	103	94	84	94	85	100
Last 4 weeks as % of 2017*	85	98	103	92	82	95	74	98
Last 4 weeks as % of 3-yr avg.**	85	90	101	102	89	95	78	95
Total 2017	89,465	142,824	578,964	50,223	289,574	1,151,050	198,746	244,766

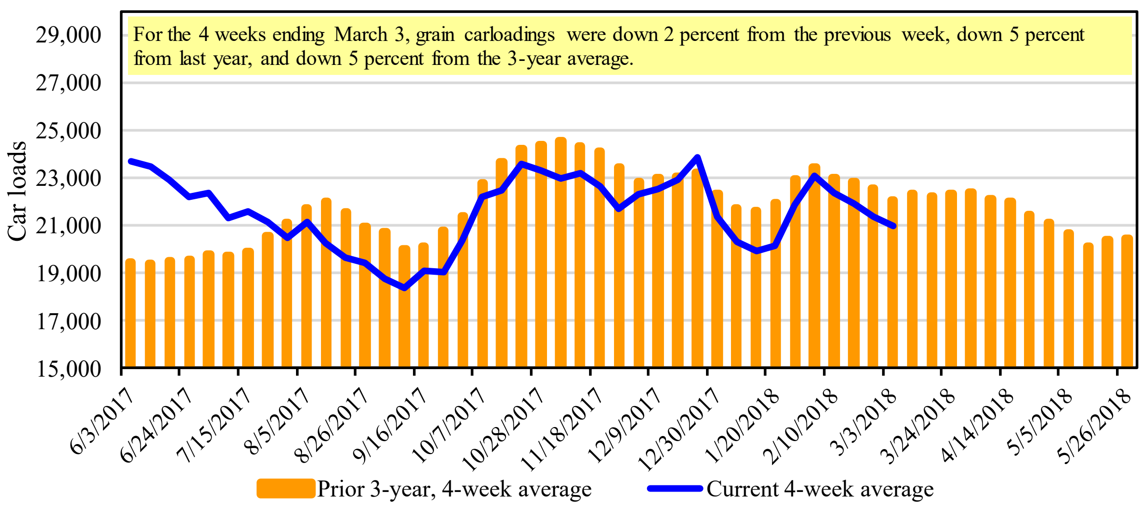
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**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:		Delivery period							
3/8/2018		Mar-18	Mar-17	Apr-18	Apr-17	May-18	May-17	Jun-18	Jun-17
BNSF[3]	COT grain units	no offer	16	0	0	0	no bids	0	1
	COT grain single-car[5]	197	100	20	20	0	17	0	6
UP[4]	GCAS/Region 1	no offer	no offer	no bids	10	no bids	no bids	n/a	n/a
	GCAS/Region 2	no offer	no offer	51	10	no bids	no bids	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.

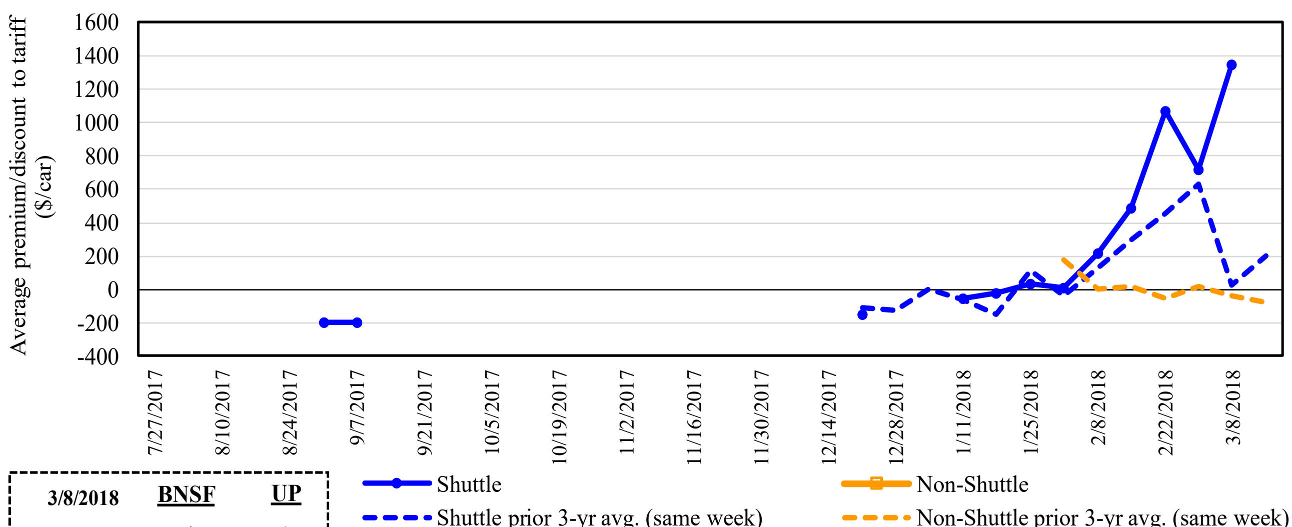
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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

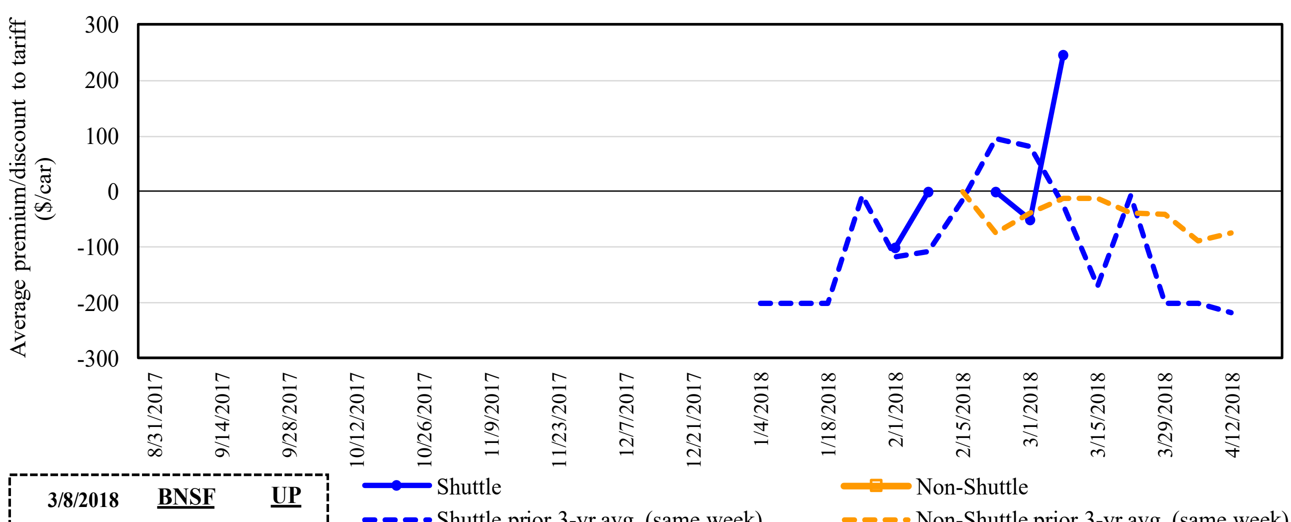


3/8/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$1,350	n/a

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $633 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



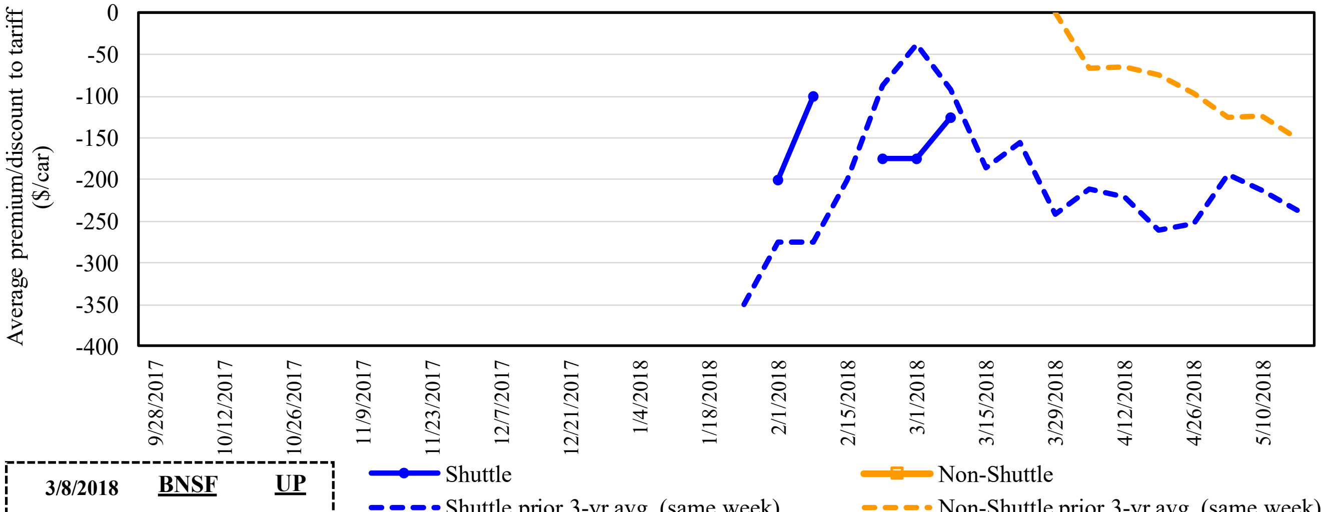
3/8/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$550	-$58

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $296 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 6

Bids/Offers for Railcars to be Delivered in May 2018, Secondary Market



3/8/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	-$125

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $50 this week and are $25 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:		Delivery period					
3/8/2018		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**	**1350**	**550**	**n/a**	**n/a**	**n/a**	**n/a**
	Change from last week	67	n/a	n/a	n/a	n/a	n/a
	Change from same week 2017	550	175	n/a	n/a	n/a	n/a
	UP-Pool	**n/a**	**(58)**	**(125)**	**(200)**	**n/a**	**n/a**
	Change from last week	n/a	(8)	50	0	n/a	n/a
	Change from same week 2017	n/a	n/a	n/a	0	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]	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

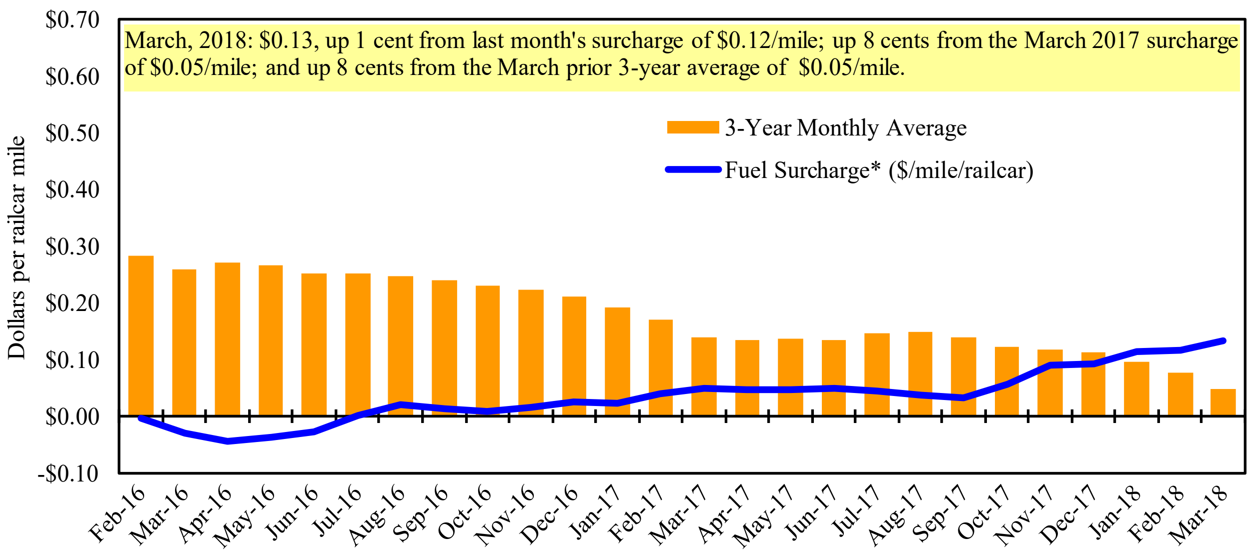
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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

Figure 7

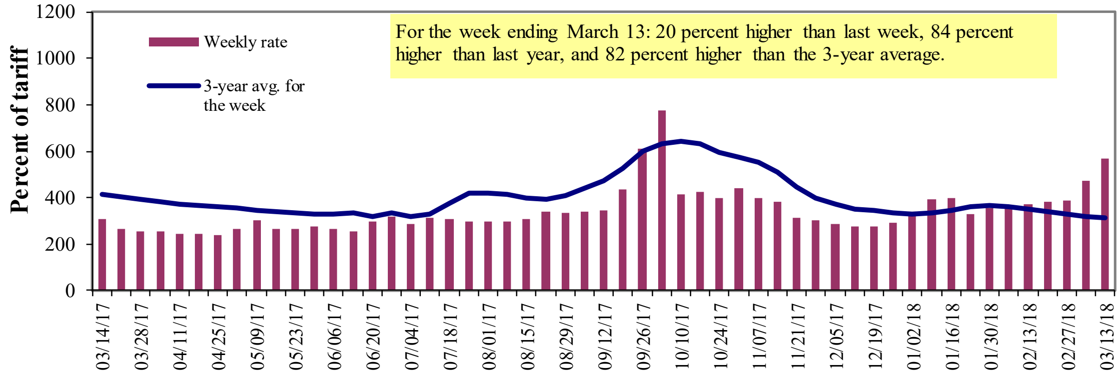
Railroad Fuel Surcharges, North American Weighted Average[1]



[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]	3/13/2018	-	583	570	458	488	488	395
	3/6/2018	-	497	474	389	-	-	327
$/ton	3/13/2018	-	31.02	26.45	18.27	22.89	19.72	12.40
	3/6/2018	-	26.44	21.99	15.52	-	-	10.27
Current week % change from the same week:								
	Last year	-	87	84	111	82	82	116
	3-year avg. [2]	-	84	84	84	84	84	84
Rate[1]	April	555	508	513	375	443	443	345
	June	500	463	450	338	363	363	300

[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.

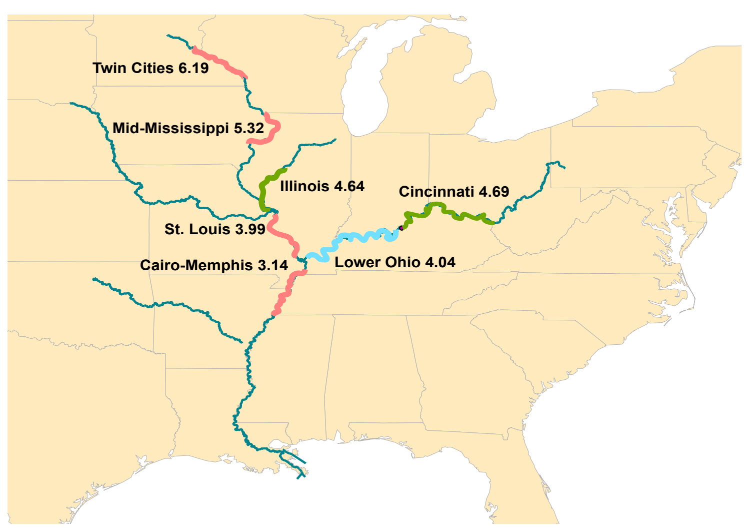
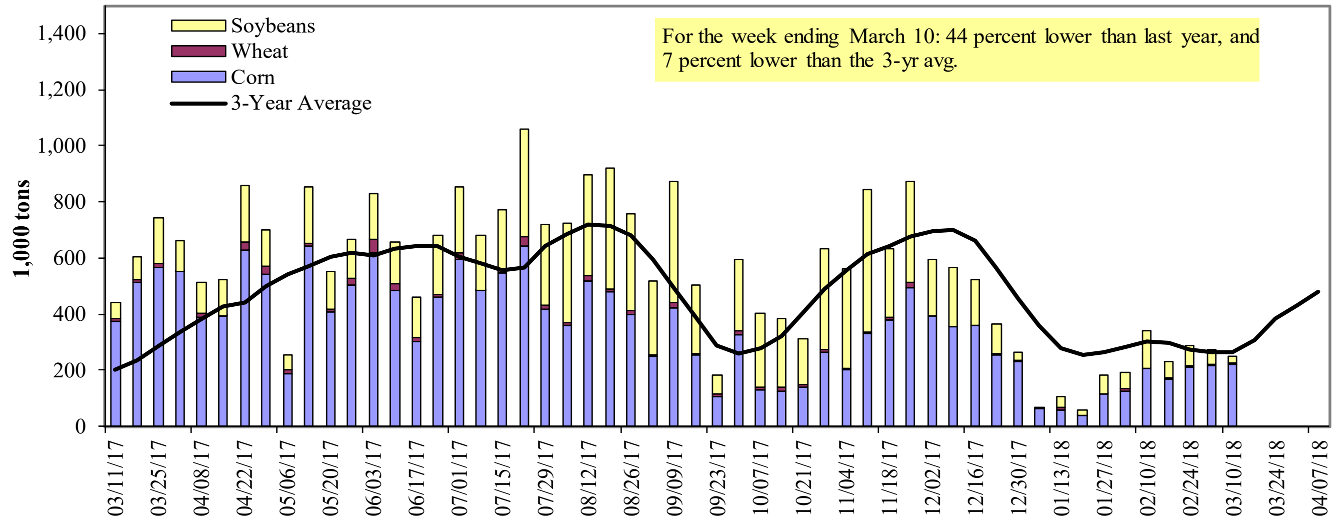


Figure 10

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 03/10/2018	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	17	0	0	0	17
Winfield, MO (L25)	110	0	10	0	119
Alton, IL (L26)	202	0	16	3	221
Granite City, IL (L27)	221	2	24	3	249
Illinois River (L8)	97	0	3	0	100
Ohio River (L52)	5	0	18	0	23
Arkansas River (L1)	1	35	50	0	87
Weekly total - 2018	228	37	92	3	359
Weekly total - 2017	551	69	221	5	847
2018 YTD[1]	2,246	251	2,163	28	4,688
2017 YTD	3,830	372	2,845	123	7,171
2018 as % of 2017 YTD	59	67	76	22	65
Last 4 weeks as % of 2017[2]	57	59	64	53	59
Total 2017	22,242	2,210	16,123	360	40,936

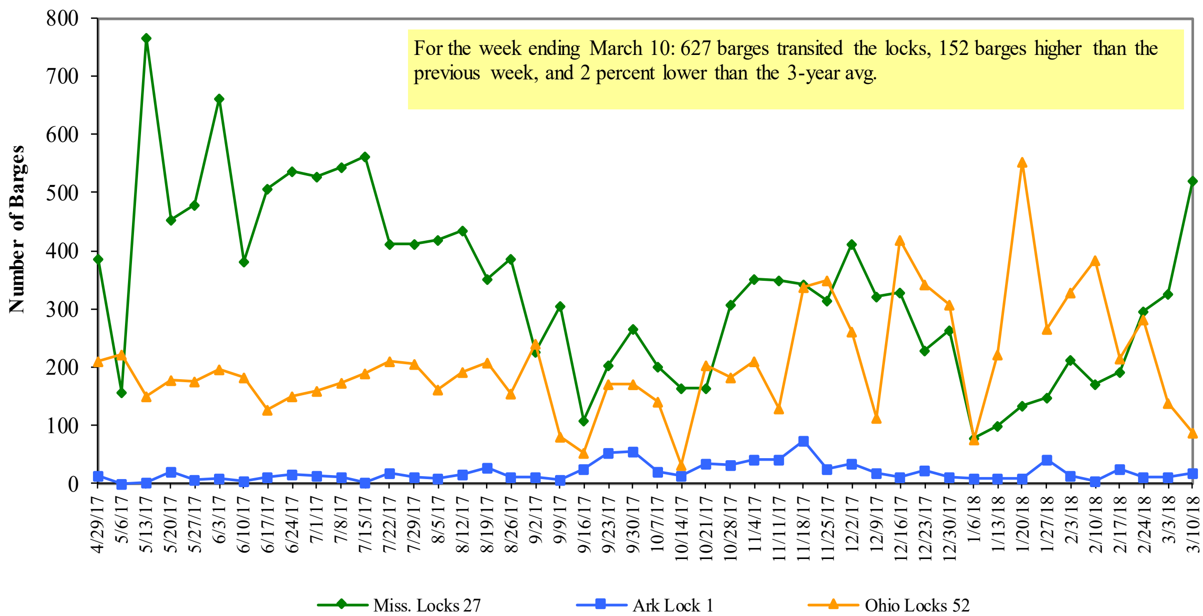
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[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

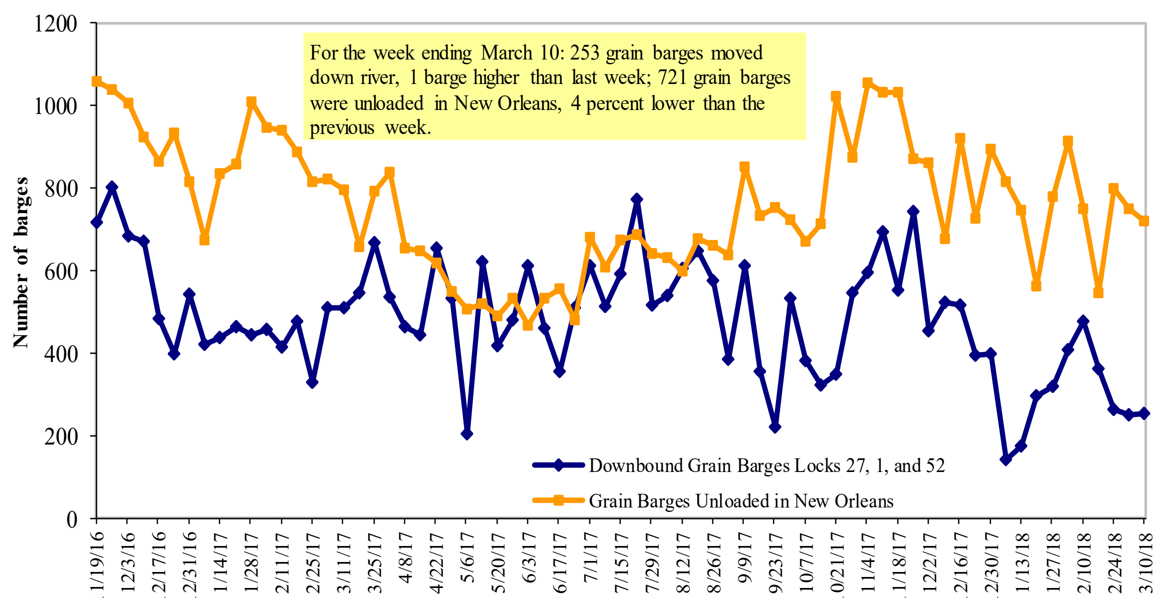
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 3/12/2018 (US $/gallon)

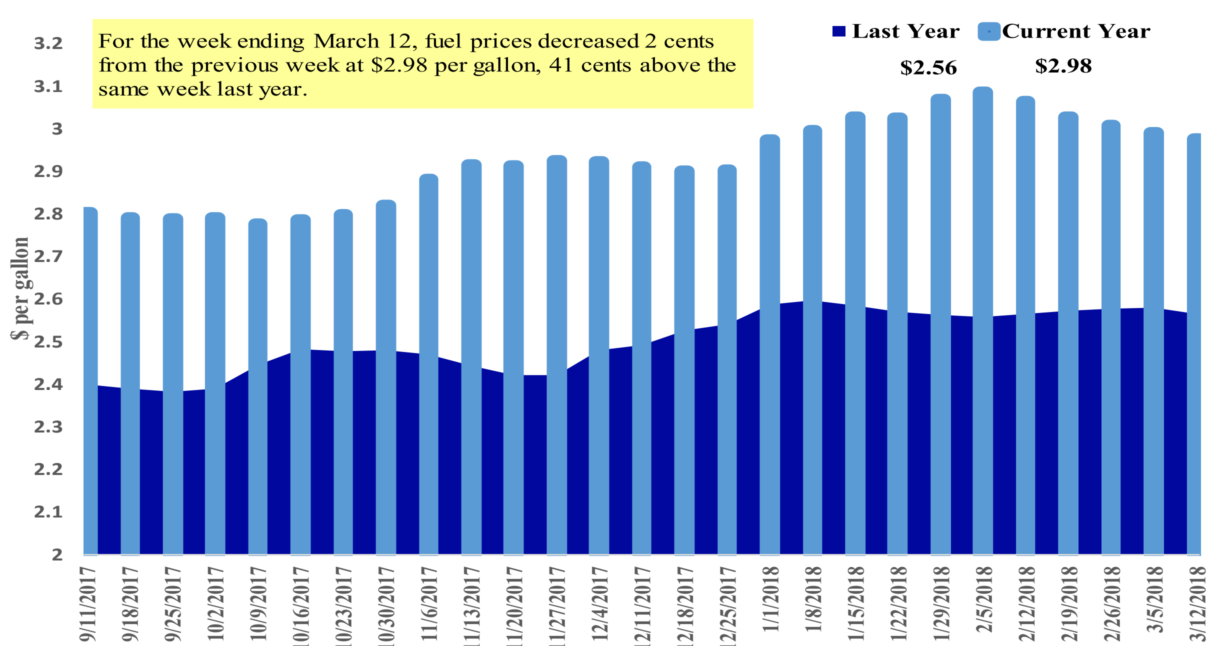
Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.024	-0.022	0.407
	New England	3.107	-0.019	0.479
	Central Atlantic	3.221	-0.019	0.460
	Lower Atlantic	2.871	-0.023	0.359
II	Midwest[2]	2.899	-0.021	0.408
III	Gulf Coast[3]	2.782	-0.011	0.363
IV	Rocky Mountain	2.290	-0.620	-0.327
V	West Coast	3.386	-0.006	0.540
	West Coast less California	3.052	-0.012	0.316
	California	3.652	0.000	0.716
Total	U.S.	2.976	-0.016	0.412

[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]									
3/1/2018	1,447	646	1,422	1,090	95	4,700	22,321	9,238	36,259
This week year ago	2,182	545	2,328	1,429	100	6,585	17,940	8,512	33,037
Cumulative exports-marketing year[2]									
2017/18 YTD	7,279	1,645	4,297	3,829	276	17,327	18,806	38,767	74,899
2016/17 YTD	7,965	1,652	5,573	2,986	340	18,517	26,210	44,411	89,137
YTD 2017/18 as % of 2016/17	91	100	77	128	81	94	72	87	84
Last 4 wks as % of same period 2016/17	74	123	61	68	81	72	119	98	104
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 3/1/2018	Total Commitments[2] 2017/18 Current MY	2016/17 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2014-2016
	- 1,000 mt -			
Mexico	11,313	10,977	3	12,297
Japan	7,090	8,196	(13)	11,450
Korea	2,367	3,800	(38)	4,494
Colombia	2,861	3,072	(7)	4,179
Peru	2,125	2,118	0	2,693
Top 5 Importers	**25,756**	**28,163**	**(9)**	**35,113**
Total US corn export sales	**41,127**	**44,150**	**(7)**	**49,308**
% of Projected	73%	76%		
Change from prior week[2]	**1,858**	**741**		
Top 5 importers' share of U.S. corn export sales	63%	64%		71%
USDA forecast, March 2018	**56,616**	**58,346**	**(3)**	
Corn Use for Ethanol USDA forecast, March 2018	**141,605**	**137,973**	**3**	

[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 3/01/2018	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	27,692	34,343	(19)	31,881
Mexico	3,492	2,952	18	3,452
Indonesia	1,336	1,440	(7)	1,987
Japan	1,560	1,692	(8)	2,067
Netherlands	925	1,105	(16)	2,098
Top 5 importers	**35,005**	**41,532**	**(16)**	**41,486**
Total US soybean export sales	**48,005**	**52,922**	**(9)**	**52,919**
% of Projected	85%	89%		
Change from prior week[2]	**2,509**	**420**		
Top 5 importers' share of U.S. soybean export sales	73%	78%		**78%**
USDA forecast, March 2018	**56,267**	**59,237**	**95**	

(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 3/01/2018	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	2,565	2,322	10	2,620
Mexico	2,743	2,746	(0)	2,743
Philippines	2,432	2,365	3	2,395
Brazil	111	1,129	(90)	862
Nigeria	1,061	1,286	(18)	1,254
Korea	1,385	1,194	16	1,104
China	890	1,064	(16)	1,623
Taiwan	1,009	891	13	768
Indonesia	1,164	860	35	726
Colombia	593	725	(18)	635
Top 10 importers	**13,955**	**14,581**	(4)	**14,729**
Total US wheat export sales	**22,027**	**25,102**	**(12)**	**22,804**
% of Projected	87%	87%		
Change from prior week[2]	**391**	**392**		
Top 10 importers' share of U.S. wheat export sales	63%	58%		65%
USDA forecast, March 2018	**25,204**	**28,747**	**(12)**	

(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 03/15/18	Previous Week[1]	Current Week as % of Previous	2018 YTD[1]	2017 YTD[1]	2018 YTD as % of 2017 YTD	Last 4-weeks as % of 2017	Last 4-weeks as % of 3-yr. avg.	Total[1] 2017
Pacific Northwest									
Wheat	259	241	107	2,279	2,076	110	57	61	14,782
Corn	438	555	79	3,268	2,055	159	116	148	10,927
Soybeans	144	374	39	3,236	2,773	117	121	104	13,246
Total	**841**	**1,170**	**72**	**8,783**	**6,904**	**127**	**97**	**104**	**38,955**
Mississippi Gulf									
Wheat	110	52	212	914	795	115	72	97	4,190
Corn	867	661	131	5,867	6,454	91	68	90	28,686
Soybeans	239	452	53	6,916	6,966	99	101	100	32,911
Total	**1,216**	**1,165**	**104**	**13,697**	**14,215**	**96**	**80**	**95**	**65,787**
Texas Gulf									
Wheat	79	92	85	1,049	919	114	66	100	6,338
Corn	0	0	n/a	98	211	47	59	0	733
Soybeans	0	0	n/a	0	0	n/a	n/a	0	292
Total	**79**	**92**	**85**	**1,147**	**1,130**	**101**	**65**	**96**	**7,362**
Interior									
Wheat	18	37	49	355	325	109	153	161	1,709
Corn	80	137	58	1,374	1,084	127	100	109	8,335
Soybeans	112	131	86	1,193	939	127	115	130	5,404
Total	**210**	**305**	**69**	**2,922**	**2,348**	**124**	**112**	**123**	**15,448**
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	0	191
Soybeans	0	0	n/a	0	0	n/a	n/a	0	890
Total	**0**	**0**	**n/a**	**19**	**0**	**n/a**	**n/a**	**0**	**1,792**
Atlantic									
Wheat	0	29	0	106	36	299	n/a	336	46
Corn	0	0	n/a	0	0	n/a	n/a	0	33
Soybeans	21	22	94	411	554	74	94	62	1,996
Total	**21**	**51**	**41**	**517**	**590**	**88**	**180**	**99**	**2,075**
U.S. total from ports[2]									
Wheat	467	451	103	4,723	4,150	114	70	82	27,776
Corn	1,385	1,353	102	10,607	9,804	108	87	113	48,905
Soybeans	516	979	53	11,756	11,233	105	102	106	54,739
Total	**2,367**	**2,783**	**85**	**27,085**	**25,187**	**108**	**88**	**104**	**131,420**

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

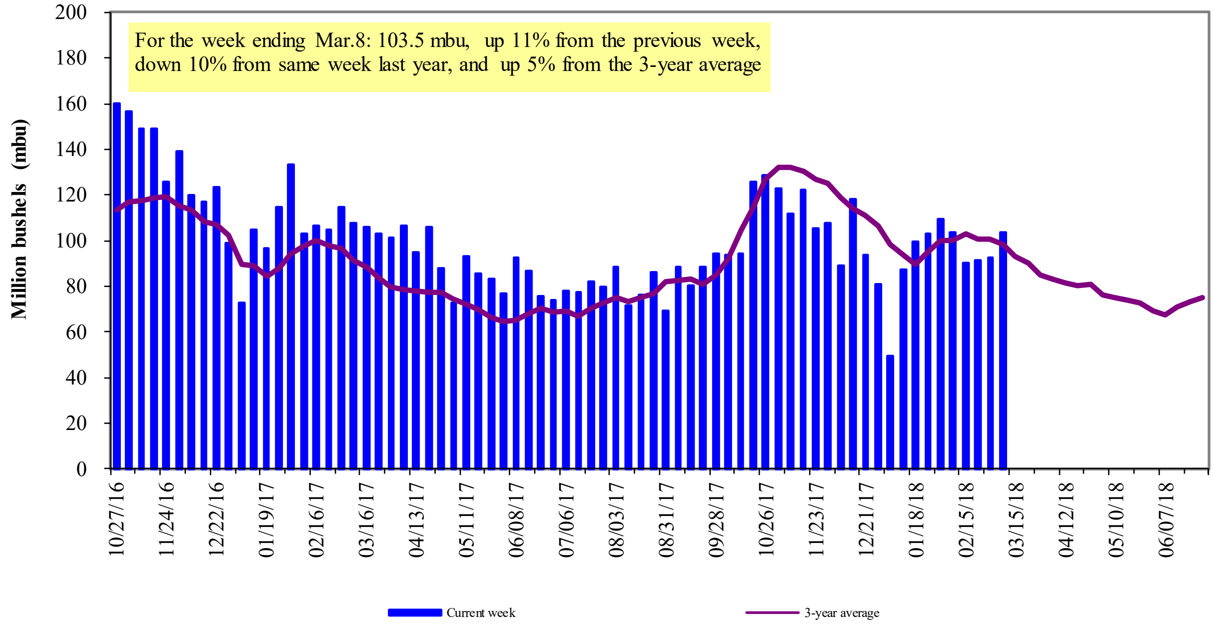
[2] Total only includes regions shown above

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 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)

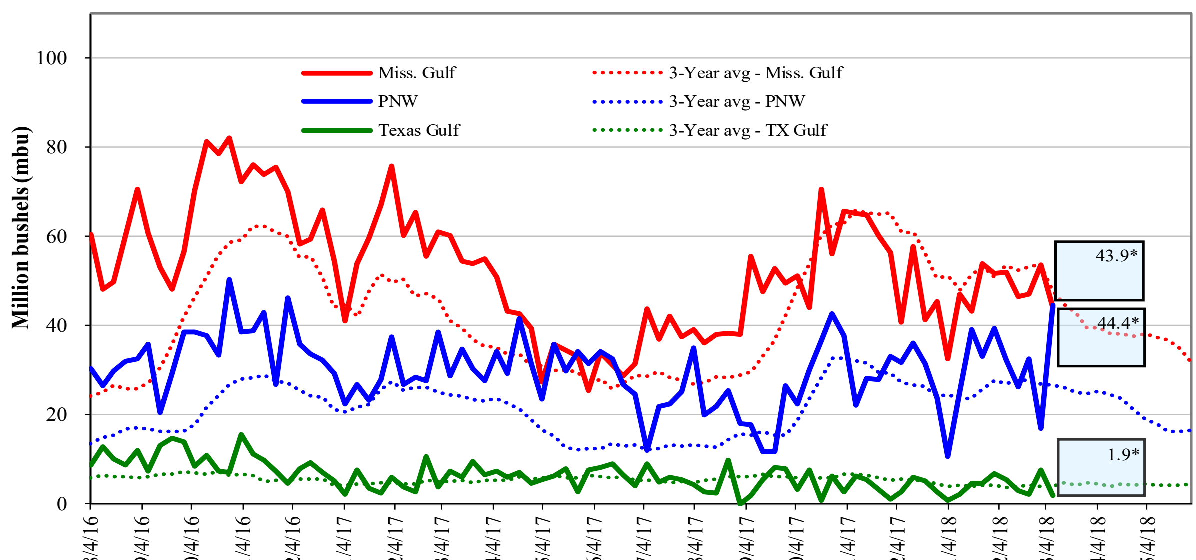


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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)



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

March 8: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 14	down 75	down 25	up 162
Last year (same week)	up 81	up 52	up 77	up 11
3-yr avg. (4-wk mov. avg.	down 13	down 51	down 16	up 54

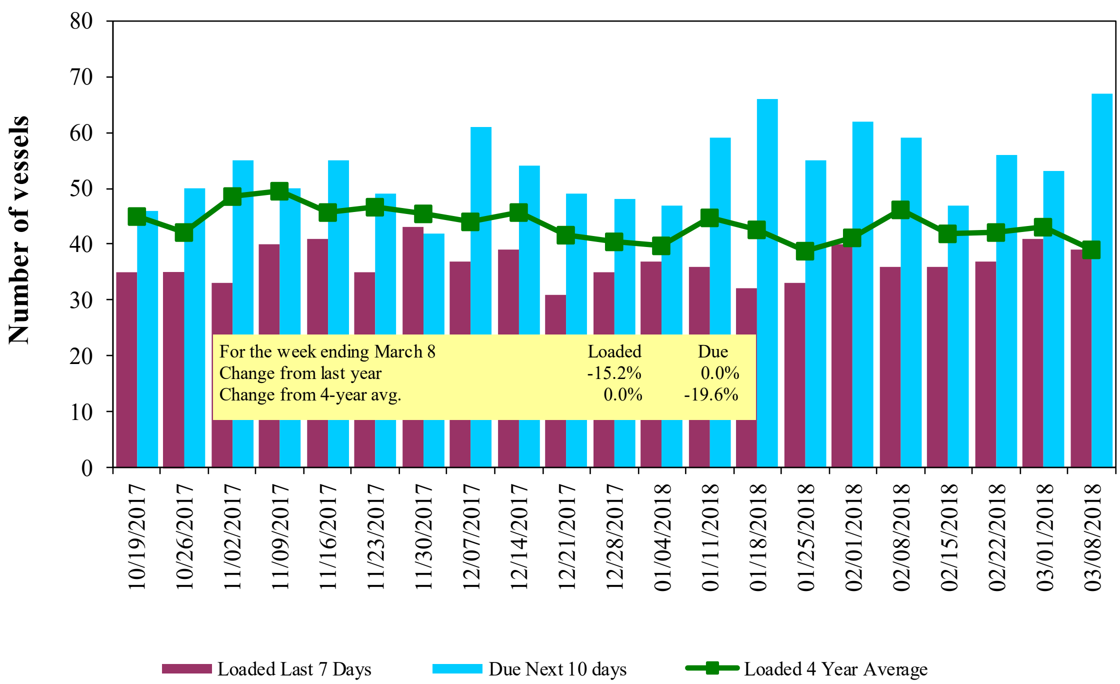
Ocean Transportation

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
3/8/2018	54	39	67	27
3/1/2018	52	41	53	24
2017 range	(25..66)	(28..54)	(37..87)	(5..44)
2017 avg.	46	38	56	20

Source: Transportation & Marketing Programs/AMS/USDA

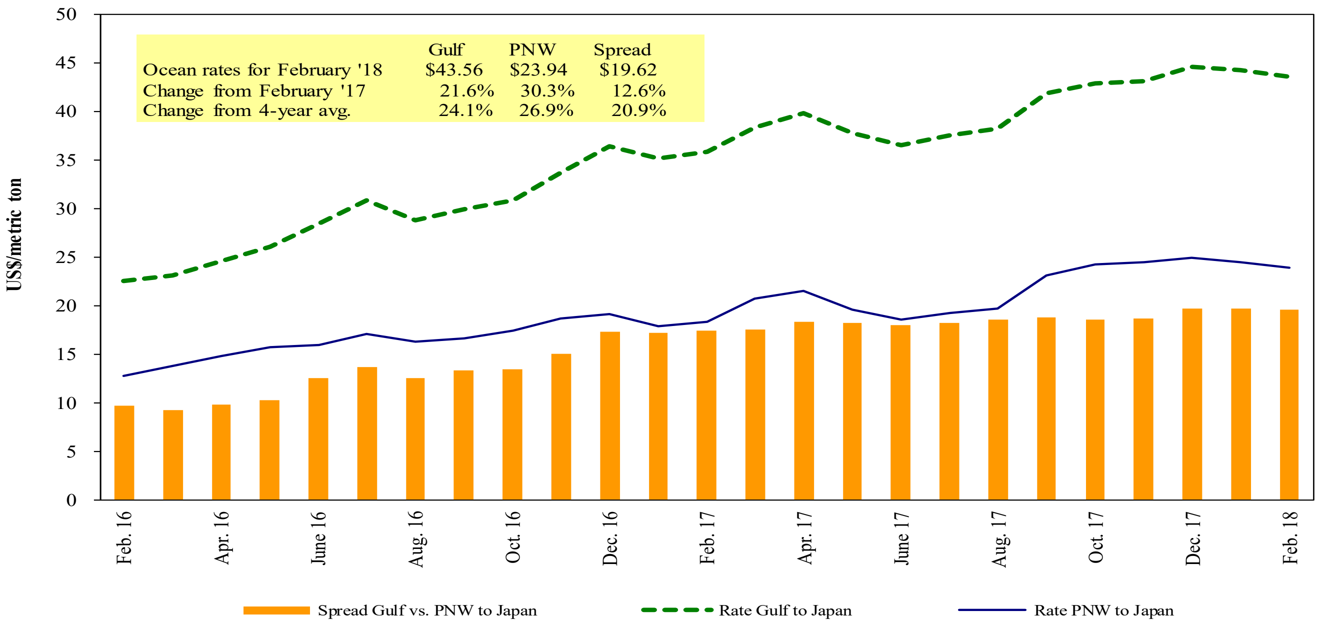
Figure 16
U.S. Gulf Vessel Loading Activity



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 03/10/2018

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	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*
Brazil	China	Heavy Grain	Mar 12/21	66,000	32.00
Brazil	China	Heavy Grain	Mar 1/10	66,000	30.00
EC S. America	China	Heavy Grain	Mar 15/24	60,000	33.50
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

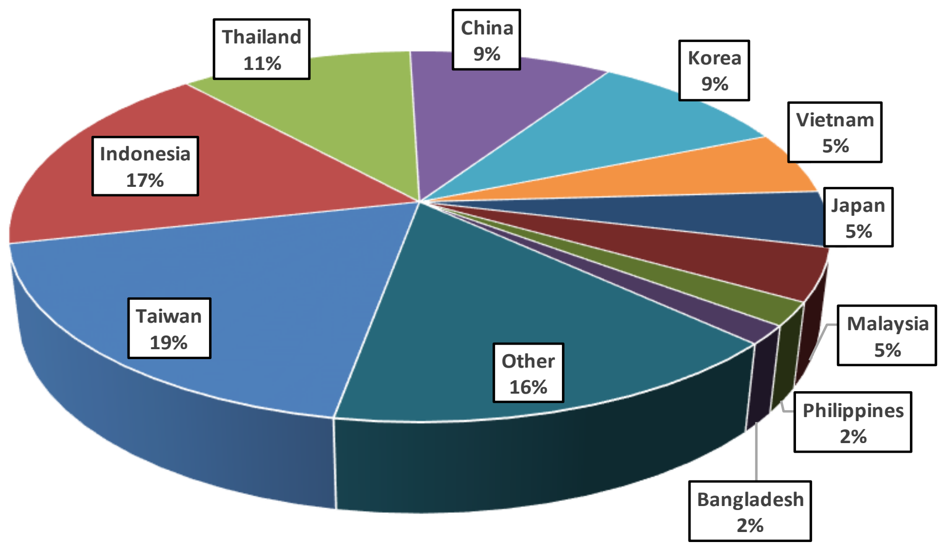
*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

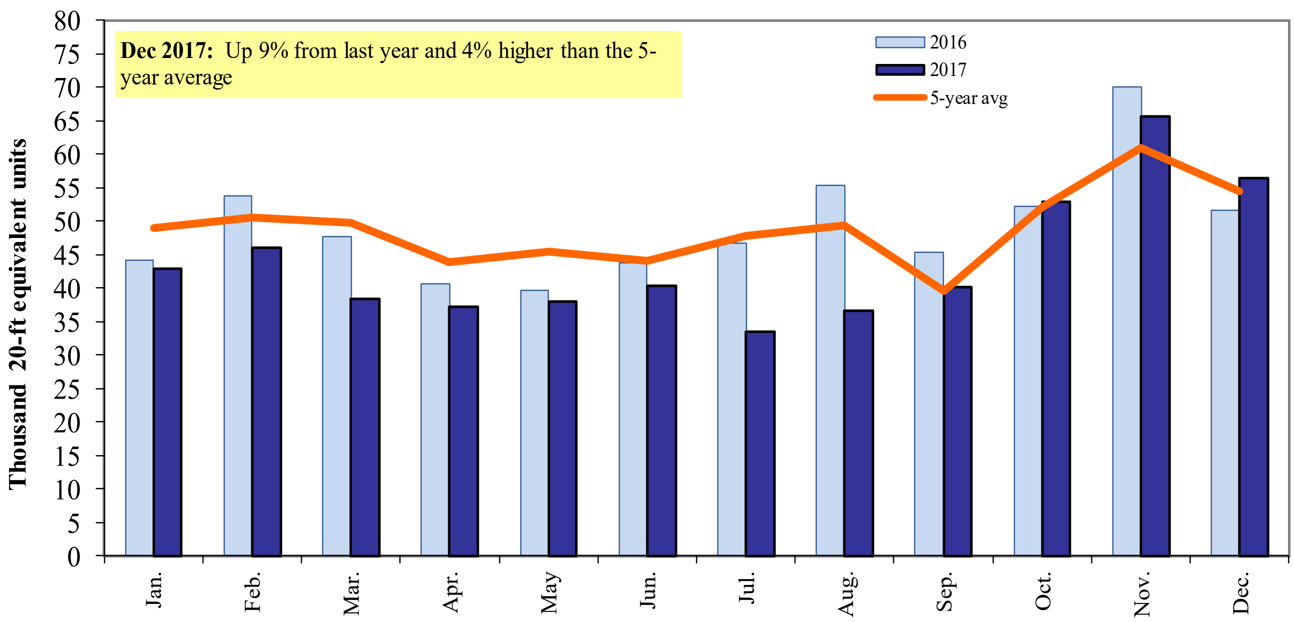


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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.

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