USDA United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
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June 14, 2018

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WEEKLY HIGHLIGHTS

Total Grain Inspections Continue to Slide…

For the week ending June 7, **total inspections of grain** (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.5 million metric tons (mmt), down 2 percent from the previous week, unchanged from last year, and 33 percent above the 3-year average. Although total grain inspections continued to decrease, wheat and soybean inspections increased 6 and 12 percent, respectively, from the previous week. In the Pacific Northwest (PNW), inspections of grain dropped 7 percent, but inspections increased 5 percent in the Mississippi Gulf. Outstanding export sales are up from the previous week for wheat, but down for corn and soybeans.

…but Atlantic and Great Lakes Exports Above-Average

Year-to-date inspections of grain (corn, wheat, soybeans) for export, from the Great Lakes and Atlantic export regions, are up notably from the same time last year. Total year-to-date inspections of grain are up 21 percent from last year in the Atlantic, and up 13 percent in the Great Lakes. During the last four weeks, Atlantic grain inspections were 148 percent above last year and 104 percent above the 3-year average. During the last four weeks, Great Lakes inspections increased 22 percent from last year and 63 percent from the 3-year average. About 88 percent of Atlantic grain inspections were soybeans, with over half of these shipments destined to Asia. Great Lakes inspections were mostly corn and wheat, destined primarily for Europe and Africa.

Canadian Pacific Announces Purchase of Grain Hopper Cars

According to a June 7 press release, Canadian Pacific Railway (CP) announced plans to invest more than $500 million on new high-capacity grain hopper cars. This translates into approximately 5,900 hopper cars over the next four years, of which 500 are expected to enter service in 2018. The new hopper cars can hold 15 percent more volume and 10 percent more weight than existing cars, adding 16 percent more overall capacity to its grain unit trains. CP has operations in the U.S., originating about 98,000 carloads of grain and oilseeds in 2017 (about 7 percent of all Class I operations in the U.S.). The CP announcement follows the passage of Canada's *Transportation Modernization Act (Bill C-49)*, reported in last week's *GTR*, which encouraged similar new investment by Canadian National Railway in its grain hopper fleet.

Snapshots by Sector

Export Sales

For the week ending May 31, **unshipped balances** of wheat, corn, and soybeans totaled 26.6 mmt, up 34 percent from the same time last year. As the marketing year ended, net weekly **wheat export sales** were negative .019 mmt from the previous week. Net **corn export sales** were .836 mmt, down 16 percent from the previous week. Net **soybean export sales** were .165 mmt, down 40 percent from the previous week.

Rail

U.S. Class I railroads originated 22,537 **grain carloads** for the week ending June 2, down 13 percent from the previous week and 1 percent from last year, but up 13 percent from the 3-year average.

Average June shuttle **secondary railcar** bids/offers, per car, were $163 above tariff for the week ending June 7, down $117 from last week, and $342 higher than last year. There were no non-shuttle bids/offers this week.

Barge

For the week ending June 9, **barge grain movements** totaled 1,009,831 tons, 3 percent higher than the previous week, and up 39 percent from the same period last year.

For the week ending June 9, 649 grain barges **moved down river**, 34 barges more than the previous week. There were 843 grain barges **unloaded in New Orleans**, 24 percent higher than the previous week.

Ocean

For the week ending June 7, 31 **ocean-going grain vessels** were loaded in the Gulf, 3 percent less than the same period last year. Forty-two vessels are expected to be loaded within the next 10 days, 24 percent less than the same period last year.

For the week ending June 7, the ocean freight rate for shipping bulk grain, from the Gulf to Japan, was $43.00 per metric ton, 2 percent more than the previous week. The cost of shipping, from the PNW to Japan, was $24.50 per metric ton, 1 percent more than the previous week.

Fuel

For the week ending June 11, the U.S. average **diesel fuel price** decreased 2 cents from the previous week to $3.27 per gallon, 74 cents higher than the same week last year.

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Feature Article/Calendar

Corn and Soybean Transportation and Landed Costs Up from Last Year

First quarter 2018 transportation costs for shipping corn and soybeans from Minneapolis, MN, through the Gulf and the Pacific Northwest (PNW) to Japan, increased from last year. Year-to-year transportation costs for shipping corn and soybeans were up moderately for each route during the first quarter (see tables 1 and 2). Higher trucking, barge, and ocean rates caused the increase in the cost of shipping from the Gulf, while higher trucking and ocean rates pushed year-to-year PNW transportation costs higher (see table 1). Ocean rates increased as demand for grain and other minor bulk products rose during the latter part of the quarter (***April 19 2018** Grain Transportation Report (GTR)*). Total landed costs for shipping grain from Minnesota to Japan increased from year to year as well.

Table 1: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. Gulf

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	1stQtr 17	4thQtr 17	1stQtr 18	Yr. to Yr.	Qtr to Qtr	1stQtr 17	4thQtr 17	1stQtr 18	Yr. to Yr.	Qtr to Qtr
Truck	11.14	14.39	13.87	24.51	-3.61	11.14	14.39	13.87	24.51	-3.61
Barge[1]	9.80	31.93	12.65	29.08	n/a	9.80	31.93	12.65	29.08	n/a
Rail[2]	47.26	n/a	47.20	-0.13	n/a	40.90	n/a	41.84	2.30	n/a
Ocean	36.45	43.56	44.27	21.45	1.63	36.45	43.56	44.27	21.45	1.63
Total Transportation Cost	104.65	89.88	117.99	12.75	31.28	98.29	89.88	112.63	14.59	25.31
Farm Value [3]	128.23	117.05	125.62	-2.04	7.32	348.82	332.04	346.37	-0.70	4.32
Total Landed Cost	232.88	206.93	243.61	4.61	17.73	447.11	421.92	459.00	2.66	8.79
Transportation % Landed Cost	44.94	43.43	48.43			21.98	21.30	24.54		

Table 2: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. PNW

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	1stQtr 17	4thQtr 17	1stQtr 18	Yr. to Yr.	Qtr to Qtr	1stQtr 17	4thQtr 17	1stQtr 18	Yr. to Yr.	Qtr to Qtr
Truck	11.14	14.39	13.87	24.51	-3.61	11.14	14.39	13.87	24.51	-3.61
Rail[2]	51.84	49.65	49.65	-4.22	0.00	56.29	56.35	56.29	0.00	-0.11
Ocean	19.02	24.56	24.25	27.50	-1.26	19.02	24.56	24.25	27.50	-1.26
Total Transportation Cost	82.00	88.60	87.77	7.04	-0.94	86.45	95.30	94.41	9.21	-0.93
Farm Value [3]	128.23	117.05	125.62	-2.04	7.32	348.82	332.04	346.37	-0.70	4.32
Total Landed Cost	210.23	205.65	213.39	1.50	3.76	435.27	427.34	440.78	1.27	3.15
Transportation % Landed Cost	39.00	43.08	41.13			19.86	22.30	21.42		

[1] Barge rates are from St. Louis to the the Gulf; 4th quarter MN rail rates to St. Louis not used due to river being opened

[2] Rail rates quotes are from MN to St. Louis in Gulf. All rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains. The rail tariff rate is is a base price of rail freight rates, but during periods of high rail demand or car shortages, high auction and secondary market rates could exceed the base rail tariffs per car

[3] Source: USDA/NASS, Agricultural Prices

U.S. Gulf Costs: Year-to-year transportation costs for shipping grain from Minneapolis to Japan from the Gulf increased 13 percent for corn and 15 percent for soybeans (see table 1). Higher year-to-year costs for shipping grain from the Gulf were caused primarily by increasing trucking, barge and ocean rates. Year-to - year trucking rates for moving grain from Minnesota to local grain elevators increased 25 percent—the third highest rate on record. Trucking rates increased due in part to higher year-to-year diesel prices.

During the first quarter of 2018, farm values for corn and soybeans shipped from the Gulf to Japan decreased slightly from year to year. The decrease, however, did not significantly affect total landed costs. Transportation costs for shipping corn and soybeans accounted for 48 and 25 percent of the landed costs in the Gulf, which is above the level of landed costs for the same time last year (see table 1). Rail's share of the landed costs was the same from last year for each grain. However, the barge and ocean share of total landed costs for each grain increased from last year. First quarter Gulf exports of corn decreased 32 percent from last year, accounting for 54 percent of total corn exports. First quarter Gulf soybean exports decreased 16 percent from last year, but accounted for 57 percent of total first quarter exports of soybeans (***April 12, 2018** GTR*).

Pacific Northwest Costs: Total transportation costs from Minneapolis, MN, via the PNW to Japan, decreased 1 percent for corn and soybeans from quarter to quarter (*see table 2*). Quarter-to-quarter rates were down slightly for trucking and ocean shipping. Due to higher trucking and ocean rates, year-to-year transportation costs for shipping grain from the PNW to Japan increased 7 percent for corn and 9 percent for soybeans. Compared to last year, PNW rail rates were unchanged for corn and soybeans.

First quarter total landed costs in the PNW increased 4 percent for corn and 3 percent for soybeans from quarter to quarter, due to higher farm values. Higher transportation costs pushed year-to-year landed costs up 2 percent for corn and 1 percent for soybeans (see table 2). First quarter transportation costs for grain shipped through the PNW accounted for 41 percent of the total landed costs for corn and 21 percent for soybeans, which is a slight decrease from the previous quarter for each Total first quarter corn exports in the PNW reached a record 4.5 mmt, up 24 percent from last year and accounting for about 33 percent of total corn exports (*April 12, 2018 GTR)*. PNW soybean exports increased 10 percent from last year as demand from Asia remained steady. Soybean exports through the PNW accounted for approximately 27 percent of total soybean exports during the first quarter. *Johnny.Hill@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
06/13/18	219	276	221	316	192	174
06/06/18	220	296	226	297	188	172

[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	6/8/2018	6/1/2018
Corn	IL--Gulf	-0.84	-0.83
Corn	NE--Gulf	-0.88	-0.93
Soybean	IA--Gulf	-1.20	-1.24
HRW	KS--Gulf	-1.67	-1.67
HRS	ND--Portland	-2.11	-2.06

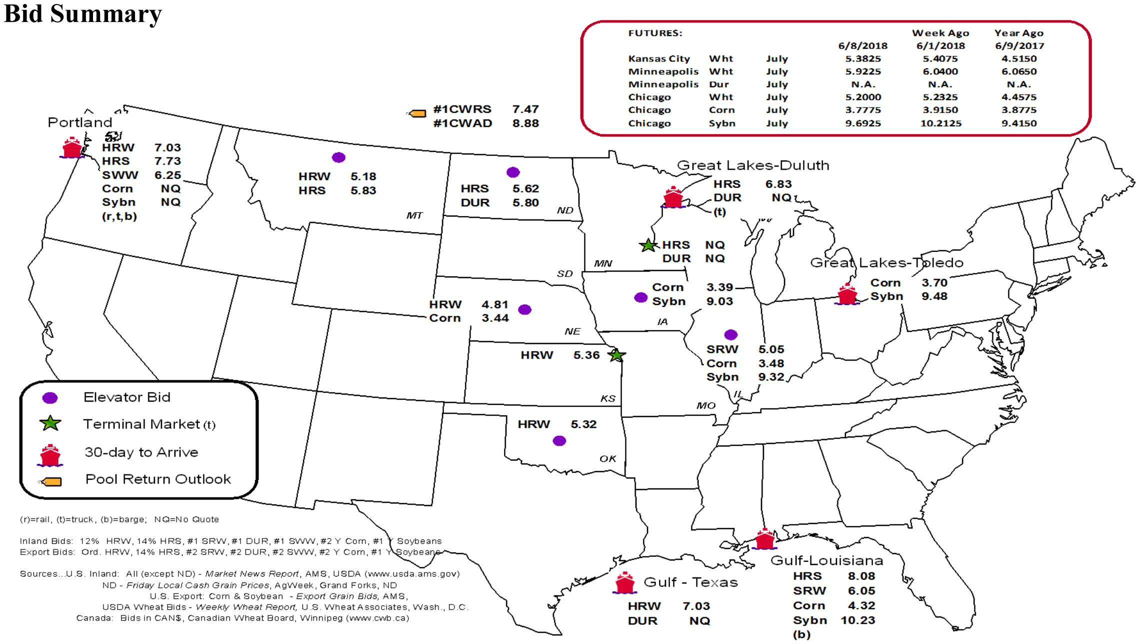
Note: nq = no quote; n/a = not available

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]
06/06/2018[p]	443	116	7,149	292	8,000	6/2/2018	2,735
05/30/2018[r]	469	442	7,322	383	8,616	5/26/2018	3,426
2018 YTD[r]	9,892	29,268	151,844	10,093	201,097	2018 YTD	49,150
2017 YTD[r]	14,093	43,850	140,250	10,886	209,079	2017 YTD	51,285
2018 YTD as % of 2017 YTD	70	67	108	93	96	% change YTD	96
Last 4 weeks as % of 2017[2]	129	22	115	305	100	Last 4wks % 2017	122
Last 4 weeks as % of 4-year avg.[2]	303	24	176	251	143	Last 4wks % 4 yr	134
Total 2017	28,796	76,545	289,178	21,999	416,518	Total 2017	119,661
Total 2016	36,925	88,035	299,604	29,007	453,571	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.

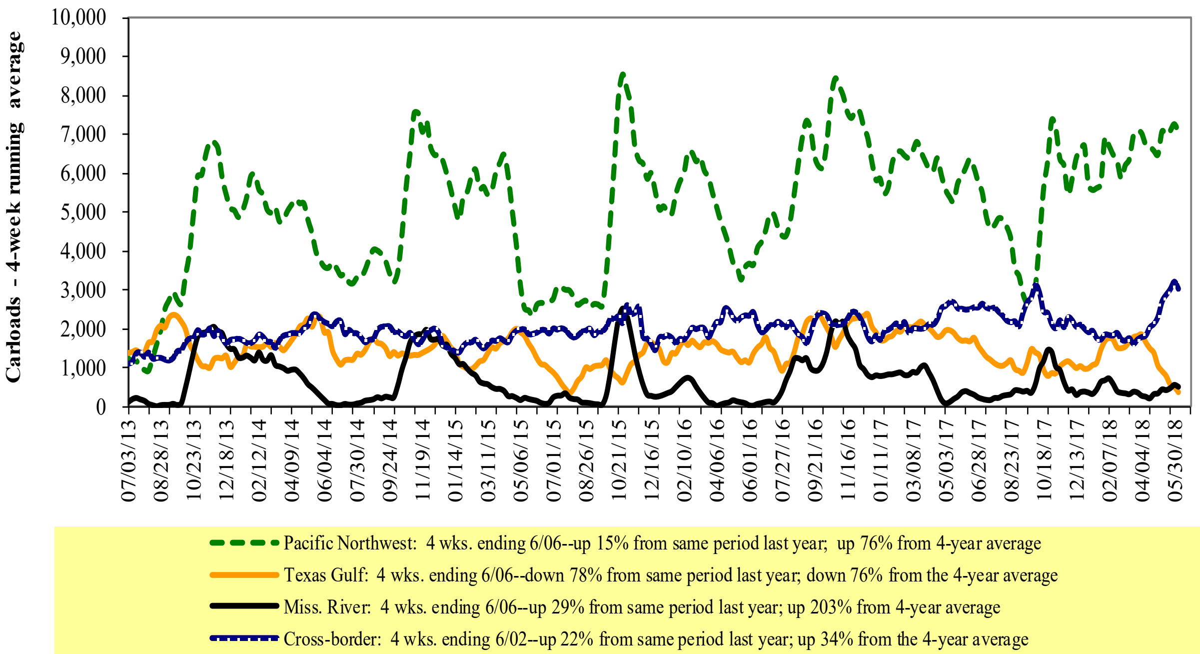
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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: 6/2/2018	East: CSXT	East: NS	West: BNSF	West: KCS	West: UP	U.S. total	Canada: CN	Canada: CP
This week	1,804	2,436	12,551	1,109	4,637	22,537	3,565	4,838
This week last year	1,623	2,823	12,290	740	5,393	22,869	3,076	4,002
2018 YTD	42,857	54,711	273,115	21,000	116,265	507,948	82,877	100,481
2017 YTD	39,871	61,580	255,321	21,197	132,882	510,851	85,693	95,488
2018 YTD as % of 2017 YTD	107	89	107	99	87	99	97	105
Last 4 weeks as % of 2017*	120	91	100	118	96	100	106	117
Last 4 weeks as % of 3-yr avg.**	108	86	130	116	106	115	116	126
Total 2017	89,465	142,767	578,964	50,223	289,574	1,150,993	198,625	244,766

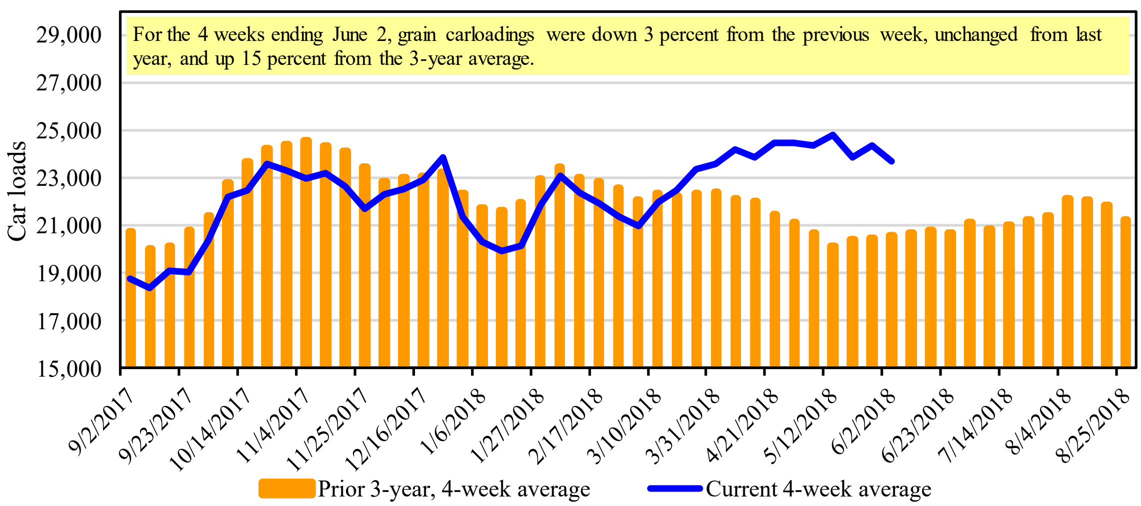
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**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: 6/7/2018		Delivery period: Jun-18	Jun-17	Jul-18	Jul-17	Aug-18	Aug-17	Sep-18	Sep-17
BNSF[3]	COT grain units	no offer	no bids	242	0	0	0	0	no bids
	COT grain single-car[5]	no offer	0	117	0	0	0	1	0
UP[4]	GCAS/Region 1	no offer	no bids	no offer	no bids	no bids	no bids	n/a	n/a
	GCAS/Region 2	no offer	no bids	no offer	no bids	10	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.

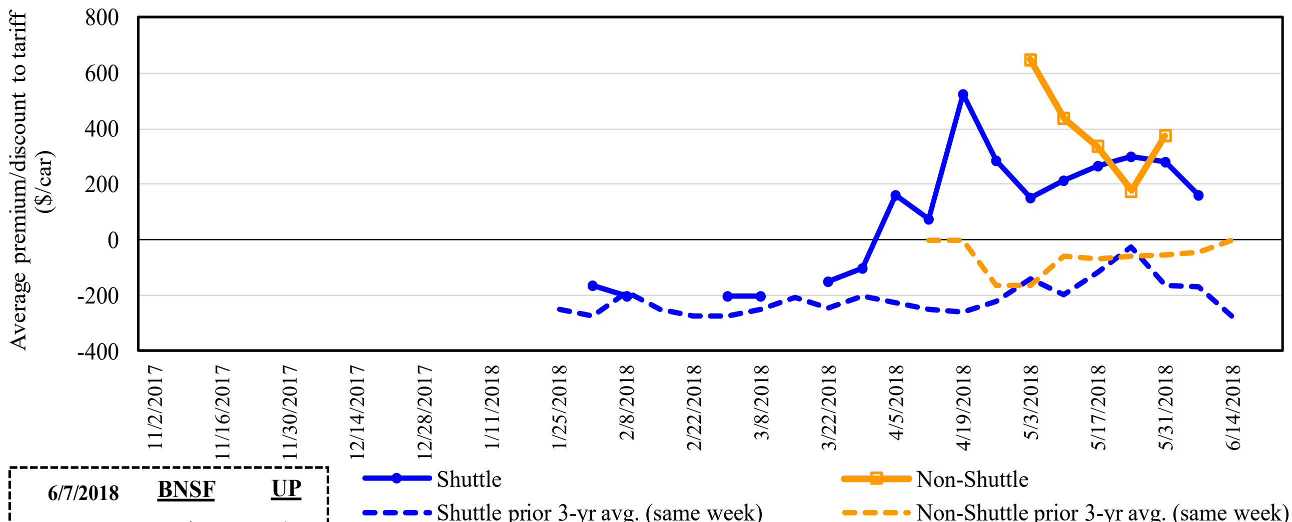
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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 June 2018, Secondary Market

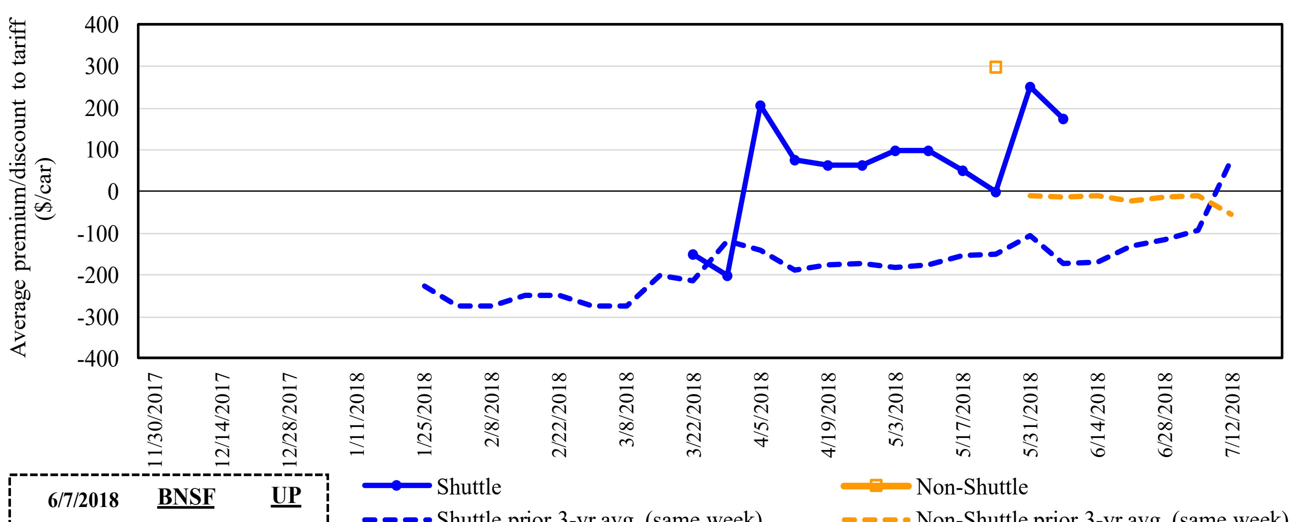


6/7/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$300	$25

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers fell $117 this week and are $363 below 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 July 2018, Secondary Market



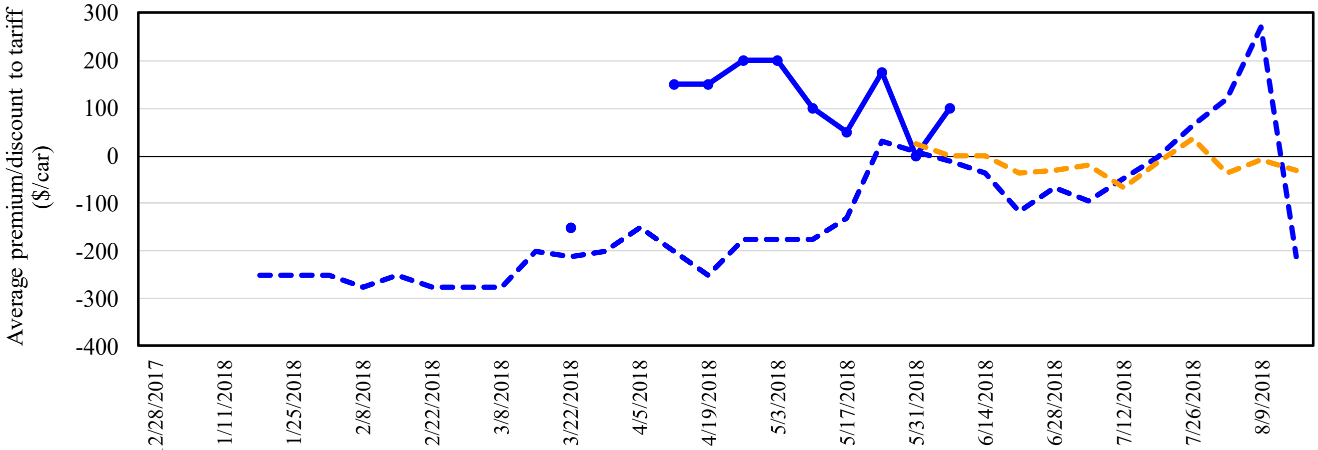
6/7/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$350	$0

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers fell $75 this week and 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

Figure 6

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



6/7/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$200	$0

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $100 this week and are $100 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: 6/7/2018	Delivery period: Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-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**	**300**	**350**	**200**	**n/a**	**650**	**350**
	Change from last week	(333)	(150)	n/a	n/a	0	0
	Change from same week 2017	384	n/a	n/a	n/a	n/a	n/a
	UP-Pool	**25**	**0**	**0**	**50**	**500**	**n/a**
	Change from last week	100	0	0	75	50	n/a
	Change from same week 2017	300	200	0	0	(150)	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]

June, 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	$101	$39.57	$1.08	1
	Grand Forks, ND	Duluth-Superior, MN	$4,143	$0	$41.14	$1.12	0
	Wichita, KS	Los Angeles, CA	$7,175	$0	$71.25	$1.94	2
	Wichita, KS	New Orleans, LA	$4,540	$178	$46.85	$1.28	2
	Sioux Falls, SD	Galveston-Houston, TX	$6,786	$0	$67.39	$1.83	0
	Northwest KS	Galveston-Houston, TX	$4,816	$195	$49.76	$1.35	2
	Amarillo, TX	Los Angeles, CA	$5,021	$271	$52.56	$1.43	3
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,931	$201	$41.03	$1.04	9
	Toledo, OH	Raleigh, NC	$6,344	$0	$63.00	$1.60	5
	Des Moines, IA	Davenport, IA	$2,258	$43	$22.85	$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	$125	$37.08	$0.94	4
	Des Moines, IA	Los Angeles, CA	$5,327	$365	$56.52	$1.44	6
Soybeans	Minneapolis, MN	New Orleans, LA	$4,131	$201	$43.02	$1.17	17
	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	$201	$49.12	$1.34	8
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,953	$0	$39.26	$1.07	0
	Wichita, KS	Galveston-Houston, TX	$4,296	$0	$42.66	$1.16	3
	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	$320	$60.89	$1.66	3
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	$201	$39.05	$0.99	10
	Lincoln, NE	Galveston-Houston, TX	$3,700	$0	$36.74	$0.93	0
	Des Moines, IA	Amarillo, TX	$3,970	$157	$40.99	$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	$232	$49.72	$1.35	8
	Toledo, OH	Huntsville, AL	$4,352	$0	$43.22	$1.18	3
	Grand Island, NE	Portland, OR	$5,710	$327	$59.95	$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

Date: June, 2018				**Fuel**			**Percent**
	Origin		**Tariff**	**surcharge**	**Tariff plus surcharge per:**		**change[4]**
Commodity	**state**	**Destination region**	**rate/car[1]**	**per car[2]**	**metric ton[3]**	**bushel[3]**	**Y/Y**
Wheat	MT	Chihuahua, CI	$7,459	$0	$76.21	$2.07	0
	OK	Cuautitlan, EM	$6,631	$139	$69.17	$1.88	1
	KS	Guadalajara, JA	$7,309	$338	$78.13	$2.12	1
	TX	Salinas Victoria, NL	$4,292	$85	$44.72	$1.22	1
Corn	IA	Guadalajara, JA	$8,313	$307	$88.08	$2.24	3
	SD	Celaya, GJ	$7,700	$0	$78.68	$2.00	2
	NE	Queretaro, QA	$8,013	$291	$84.85	$2.15	3
	SD	Salinas Victoria, NL	$6,743	$0	$68.90	$1.75	2
	MO	Tlalnepantla, EM	$7,379	$284	$78.30	$1.99	3
	SD	Torreon, CU	$7,300	$0	$74.59	$1.89	2
Soybeans	MO	Bojay (Tula), HG	$8,134	$286	$86.03	$2.34	-5
	NE	Guadalajara, JA	$8,692	$312	$92.00	$2.50	-2
	IA	El Castillo, JA	$8,960	$0	$91.55	$2.49	0
	KS	Torreon, CU	$7,489	$230	$78.86	$2.14	1
Sorghum	NE	Celaya, GJ	$7,345	$284	$77.95	$1.98	4
	KS	Queretaro, QA	$7,819	$174	$81.67	$2.07	4
	NE	Salinas Victoria, NL	$6,452	$140	$67.35	$1.71	5
	NE	Torreon, CU	$6,790	$221	$71.63	$1.82	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

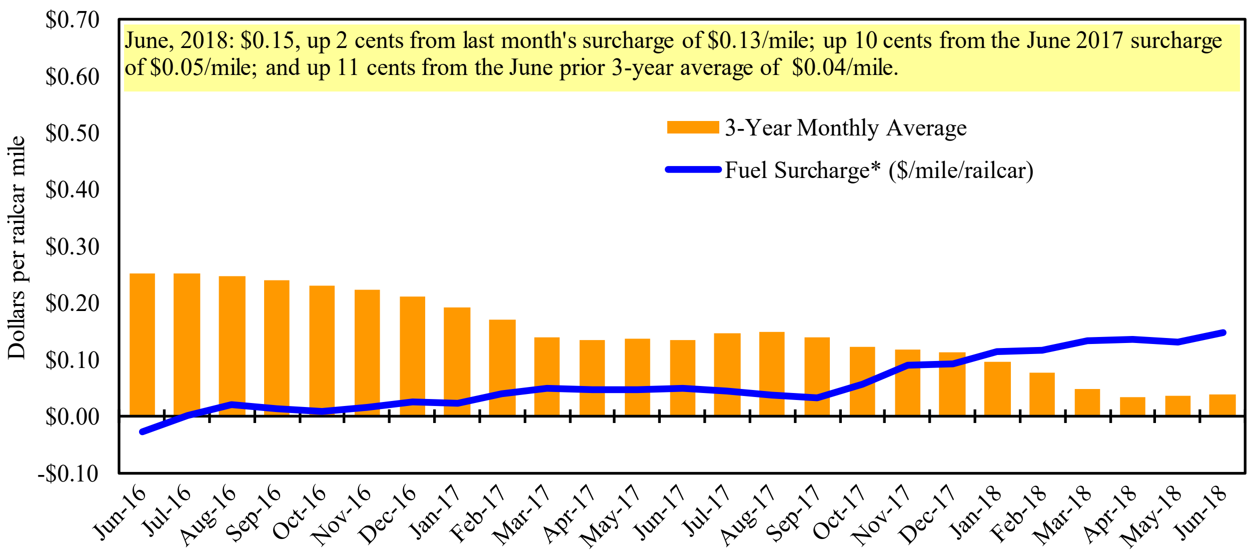
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[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]

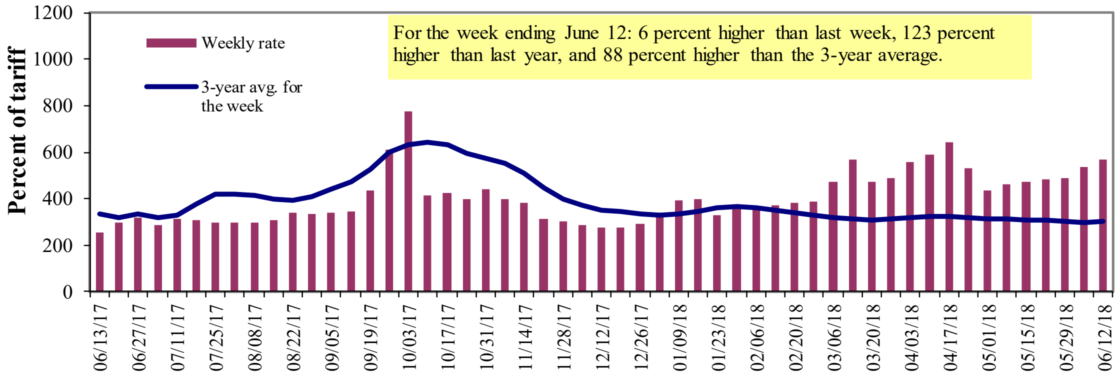


[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.
* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.
**CSX strike price changed from $2.00/gal. to $3.75/gal. starting January 1, 2015.
Sources: 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]	6/12/2018	593	573	568	424	410	410	368
	6/5/2018	575	558	535	438	413	413	375
$/ton	6/12/2018	36.71	30.48	26.36	16.92	19.23	16.56	11.56
	6/5/2018	35.59	29.69	24.82	17.48	19.37	16.69	11.78
Current week % change from the same week:								
	Last year	87	120	123	132	113	113	119
	3-year avg. [2]	61	82	88	99	94	94	91
Rate[1]	July	539	485	485	375	360	360	323
	September	536	525	525	460	525	525	450

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds; "-" = no quote

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.

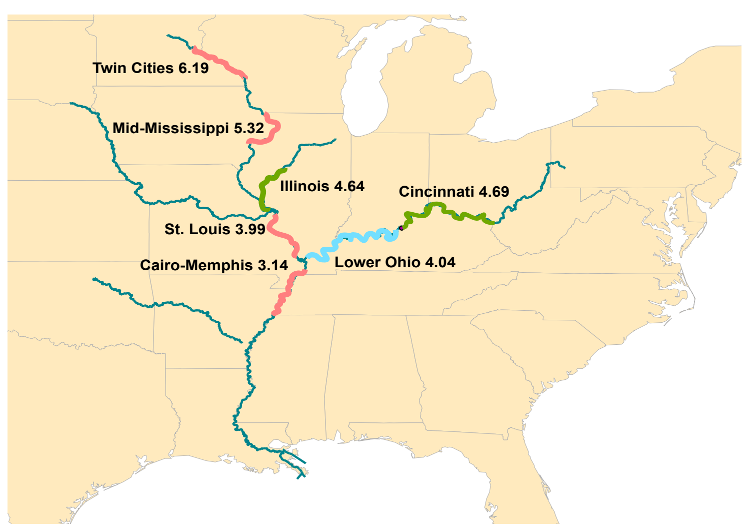
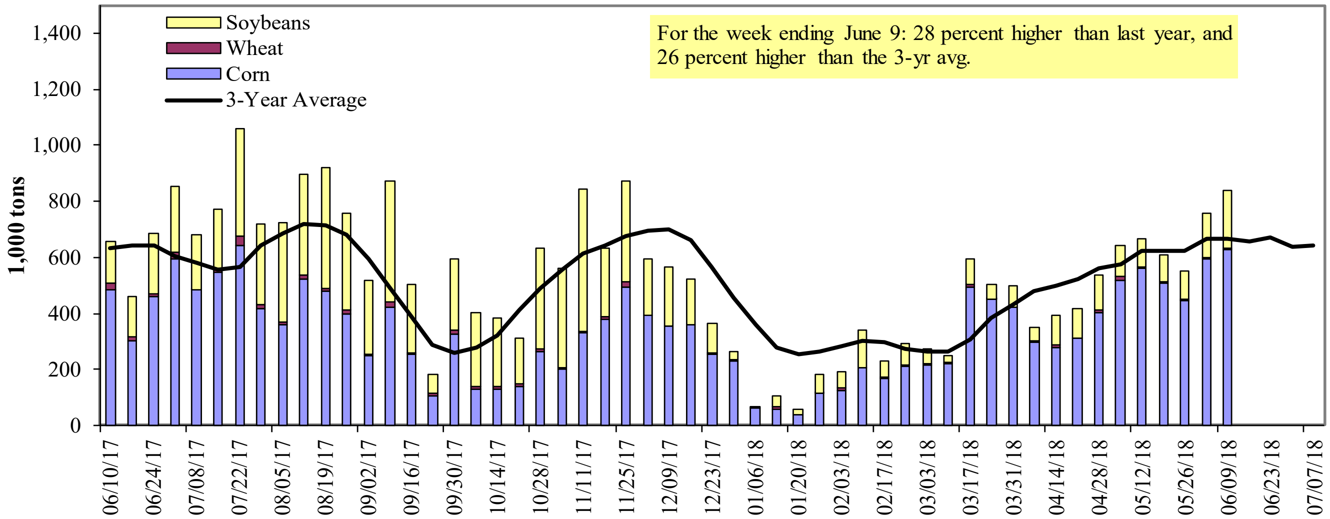


Figure 10

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 06/09/2018	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	256	3	81	0	340
Winfield, MO (L25)	433	5	141	0	579
Alton, IL (L26)	632	5	204	0	841
Granite City, IL (L27)	629	5	204	0	838
Illinois River (L8)	177	2	57	0	236
Ohio River (L52)	85	11	34	4	133
Arkansas River (L1)	0	14	25	0	39
Weekly total - 2018	715	30	262	4	1,010
Weekly total - 2017	509	42	175	2	728
2018 YTD[1]	9,677	680	4,781	63	15,201
2017 YTD	11,189	959	5,367	152	17,667
2018 as % of 2017 YTD	86	71	89	42	86
Last 4 weeks as % of 2017[2]	119	67	121	46	116
Total 2017	22,242	2,210	16,123	360	40,936

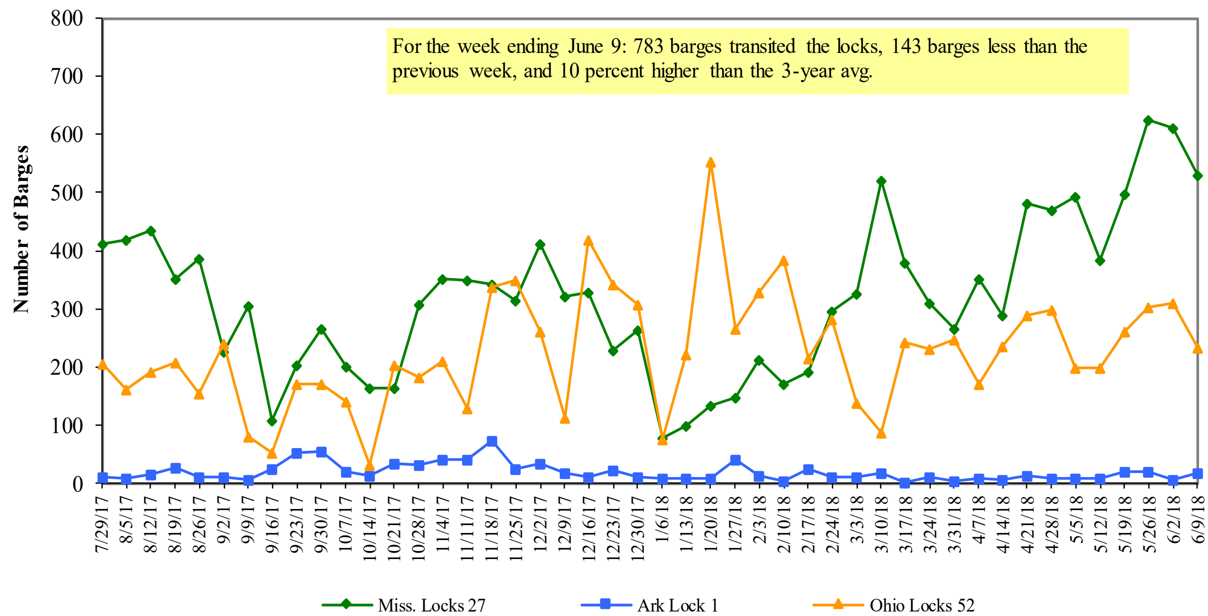
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[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

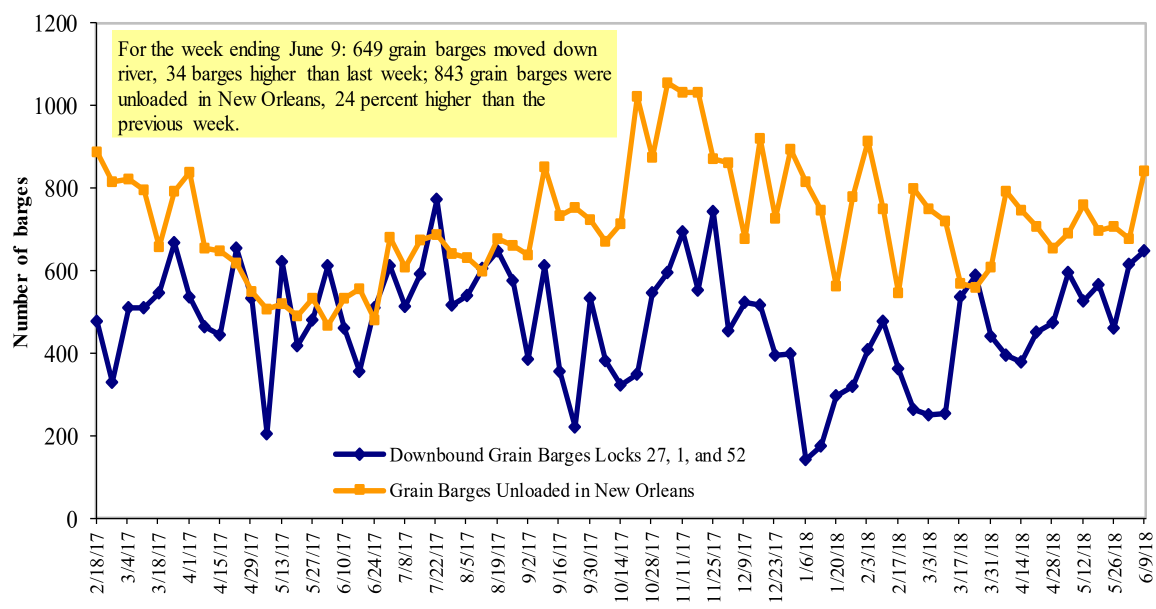
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 6/11/2018 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.264	-0.018	0.695
	New England	3.292	-0.010	0.678
	Central Atlantic	3.420	-0.022	0.709
	Lower Atlantic	3.148	-0.018	0.689
II	Midwest[2]	3.199	-0.025	0.745
III	Gulf Coast[3]	3.037	-0.018	0.669
IV	Rocky Mountain	3.344	-0.015	0.700
V	West Coast	3.769	-0.015	0.964
	West Coast less California	3.489	-0.019	0.808
	California	3.990	-0.013	1.084
Total	U.S.	3.266	-0.019	0.742

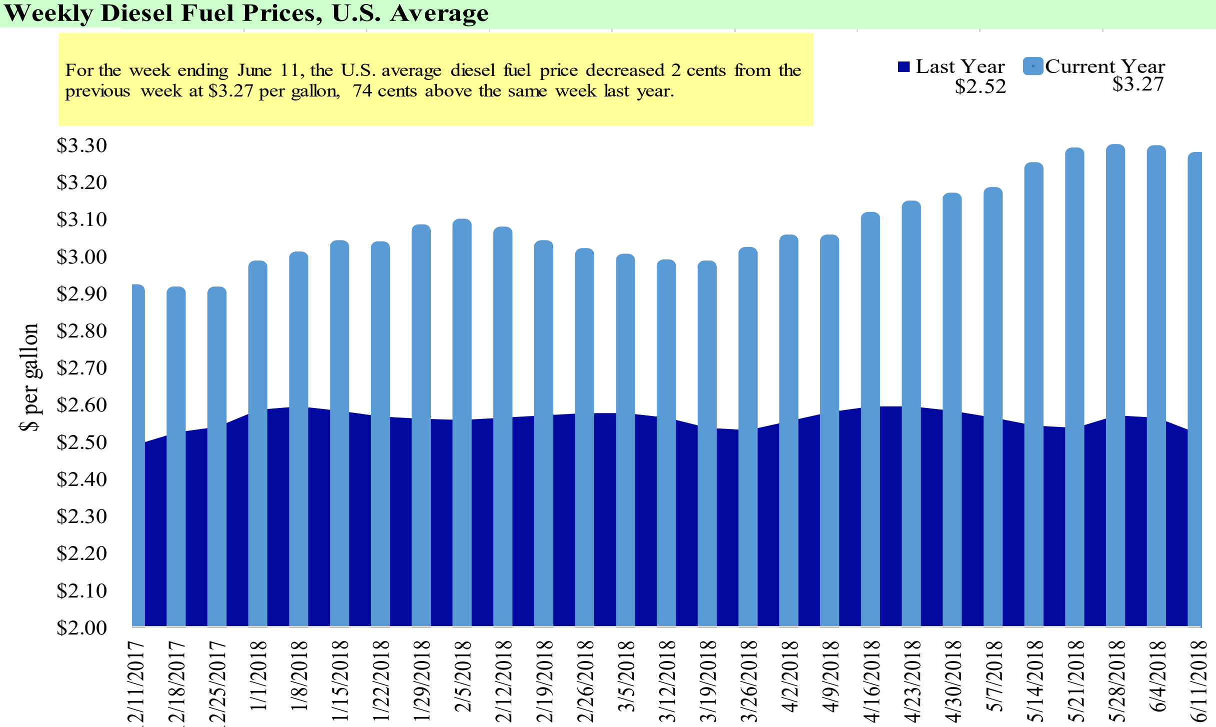
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
5/31/2018	161	170	485	467	22	1,305	16,298	9,026	26,628
This week year ago	558	213	552	517	44	1,883	10,939	7,122	19,943
Cumulative exports-marketing year[2]									
2017/18 YTD	9,150	2,314	5,689	4,854	384	26,513	39,003	46,604	112,120
2016/17 YTD	11,354	2,343	8,033	4,329	484	22,419	43,078	51,476	116,973
YTD 2017/18 as % of 2016/17	81	99	71	112	79	118	91	91	96
Last 4 wks as % of same period 2016/17	14	43	35	32	11	27	159	137	117
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; 2017/18 marketing year ends 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 Importers[1] of U.S. Corn

For the week ending 5/31/2018	Total Commitments[2]			% change	Exports[3]
	2018/19	2017/18	2016/17	current MY	3-year avg
	Next MY	Current MY	Last MY	from last MY	2014-2016
		- 1,000 mt -			
Mexico	1,548	13,910	12,867	8	12,297
Japan	813	10,529	10,872	(3)	11,450
Korea	0	4,681	5,531	(15)	4,494
Colombia	10	4,250	4,012	6	4,179
Peru	22	2,768	2,802	(1)	2,693
Top 5 Importers	**2,392**	**36,137**	**36,084**	**0**	**35,113**
Total US corn export sales	**3,071**	**55,300**	**54,016**	**2**	**49,308**
% of Projected		94%	93%		
Change from prior week[2]	**418**	**836**	**349**		
Top 5 importers' share of U.S. corn export sales	78%	65%	67%		71%
USDA forecast, June 2018	**53,435**	**58,524**	**58,346**	**0**	
Corn Use for Ethanol USDA forecast, June 2018	**144,145**	**141,605**	**137,973**	**3**	

(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/. 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 5/31/2018	2018/19 Next MY	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	1,458	28,652	35,896	(20)	31,881
Mexico	505	4,261	3,499	22	3,452
Indonesia	70	2,165	1,982	9	1,987
Japan	120	2,038	2,077	(2)	2,067
Netherlands	0	1,698	1,553	9	2,098
Top 5 importers	**2,152**	**38,814**	**45,008**	**(14)**	**41,486**
Total US soybean export sales	**6,363**	**55,630**	**58,597**	**(5)**	**52,919**
% of Projected	10%	99%	99%		
Change from prior week[2]	**35**	**165**	**159**		
Top 5 importers' share of U.S. soybean export sales	34%	70%	77%		**78%**
USDA forecast, June 2018	**62,398**	**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 5/31/2018	2018/19 Next MY	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	603	2,931	2,864	2	2,620
Mexico	349	2,972	3,304	(10)	2,743
Philippines	445	2,604	2,786	(7)	2,395
Brazil	60	128	1,237	(90)	862
Nigeria	110	1,171	1,642	(29)	1,254
Korea	463	1,603	1,429	12	1,104
China	0	902	1,663	(46)	1,623
Taiwan	181	1,141	1,097	4	768
Indonesia	100	1,141	1,204	(5)	726
Colombia	25	685	858	(20)	635
Top 10 importers	**2,335**	**15,277**	**18,085**	(16)	**14,729**
Total US wheat export sales	**4,224**	**23,724**	**28,396**	**(16)**	**22,804**
% of Projected	16%	97%	99%		
Change from prior week[2]	**1,556**	**(19)**	**27**		
Top 10 importers' share of U.S. wheat export sales	55%	64%	64%		65%
USDA forecast, June 2018	**25,886**	**24,523**	**28,747**	**(15)**	

(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 06/07/18	Previous Week*	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	254	167	152	5,342	6,895	77	70	95	14,805
Corn	449	595	76	9,765	7,381	132	122	193	10,928
Soybeans	132	139	95	4,816	4,379	110	191	559	13,246
Total	**835**	**901**	**93**	**19,923**	**18,655**	**107**	**109**	**169**	**38,978**
Mississippi Gulf									
Wheat	98	51	191	1,910	2,260	85	46	62	4,198
Corn	678	724	94	15,399	16,110	96	144	121	28,690
Soybeans	333	283	118	10,497	11,198	94	177	224	32,911
Total	**1,109**	**1,058**	**105**	**27,806**	**29,568**	**94**	**137**	**132**	**65,800**
Texas Gulf									
Wheat	2	95	2	1,780	3,229	55	27	41	6,354
Corn	38	73	52	375	376	100	548	257	733
Soybeans	12	12	100	23	0	n/a	n/a	n/a	292
Total	**51**	**179**	**29**	**2,178**	**3,605**	**60**	**52**	**71**	**7,379**
Interior									
Wheat	16	38	41	703	809	87	108	152	1,727
Corn	196	114	172	3,750	3,665	102	113	125	8,758
Soybeans	165	142	116	2,897	2,301	126	159	222	5,508
Total	**376**	**293**	**128**	**7,350**	**6,774**	**109**	**127**	**154**	**15,993**
Great Lakes									
Wheat	20	16	129	241	253	95	72	107	711
Corn	23	23	100	155	83	187	162	140	192
Soybeans	31	21	151	104	104	99	201	336	890
Total	**74**	**59**	**125**	**499**	**441**	**113**	**122**	**163**	**1,793**
Atlantic									
Wheat	0	0	n/a	64	37	172	0	0	46
Corn	0	0	n/a	67	5	n/a	n/a	723	32
Soybeans	6	7	84	969	866	112	160	153	2,001
Total	**6**	**7**	**84**	**1,100**	**908**	**121**	**248**	**204**	**2,079**
U.S. total from ports*									
Wheat	389	366	106	10,039	13,483	74	58	80	27,841
Corn	1,384	1,528	91	29,511	27,620	107	134	142	49,333
Soybeans	678	603	112	19,306	18,848	102	178	268	54,847
Total	**2,452**	**2,497**	**98**	**58,857**	**59,951**	**98**	**118**	**143**	**132,021**

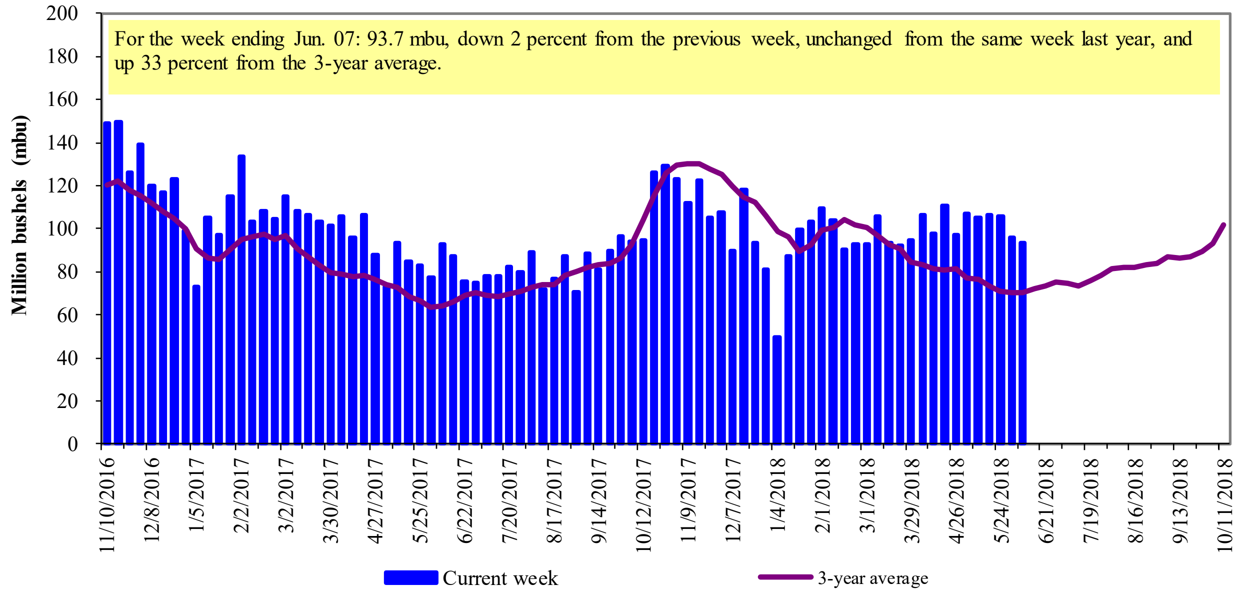
*Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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, 50 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

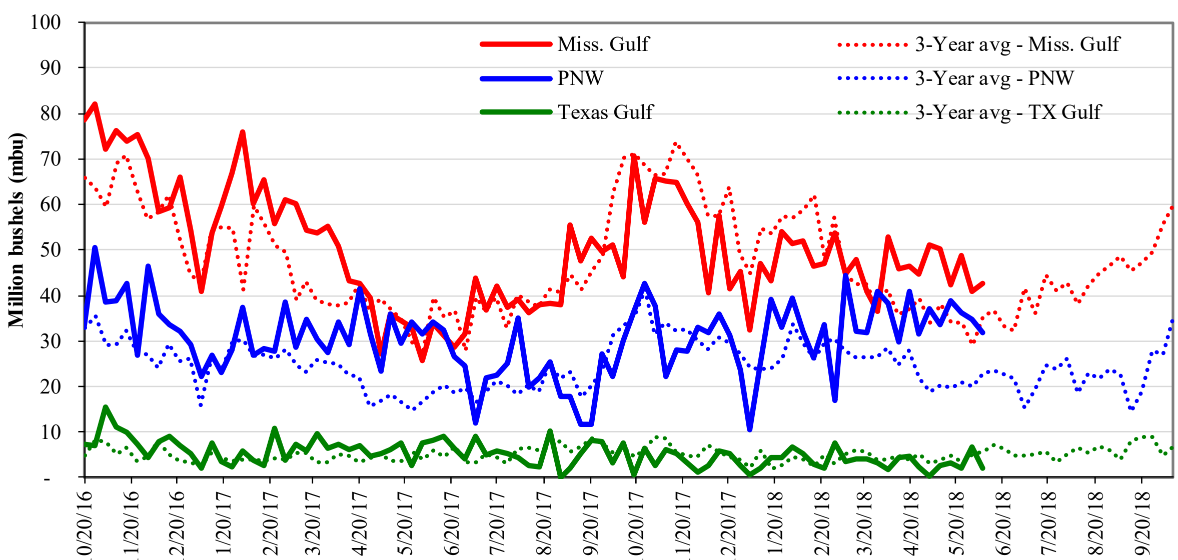
U.S. grain inspected for export (wheat, corn, and soybeans)



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 06/07/18 inspections (mbu):		Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Mississippi Gulf:	42.5	Last Week:	up 4	down 71	down 6	down 8
PNW:	31.9	Last Year (same week):	up 26	down 76	up 6	down 7
Texas Gulf:	2.0	3-yr avg. (4-wk. mov. Avg):	up 28	down 59	up 17	up 53

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

Ocean Transportation

Table 17

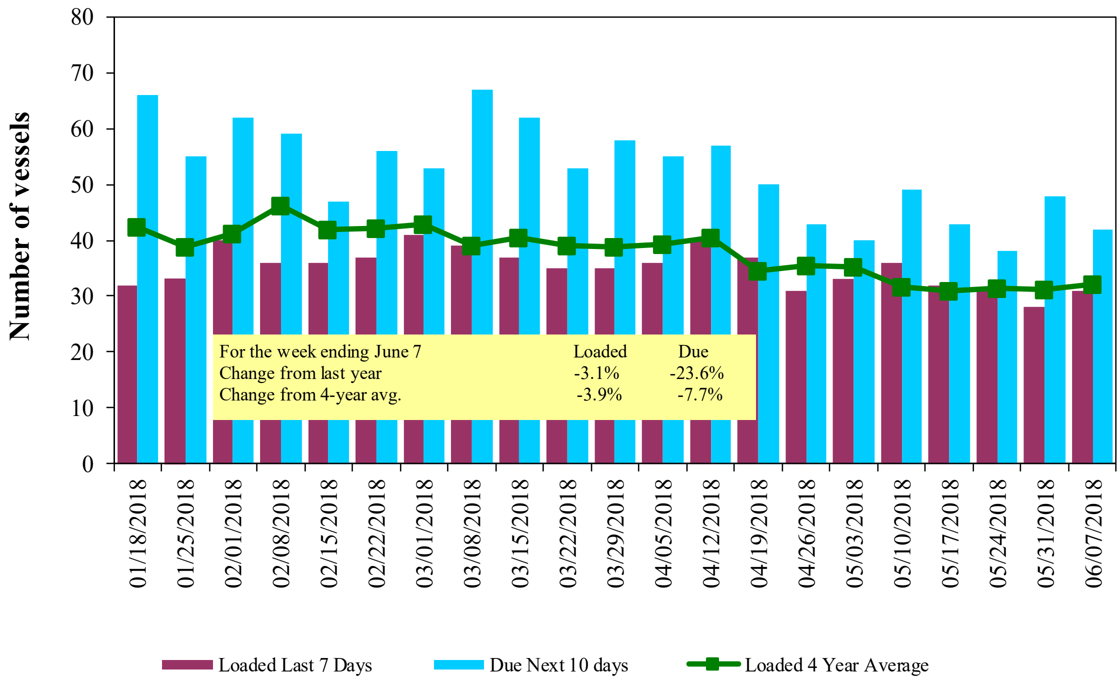
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest
Date	In port	Loaded 7-days	Due next 10-days	In port
6/7/2018	31	31	42	24
5/31/2018	29	28	48	18
2017 range	(25..66)	(28..54)	(37..87)	(5..44)
2017 avg.	46	38	56	20

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

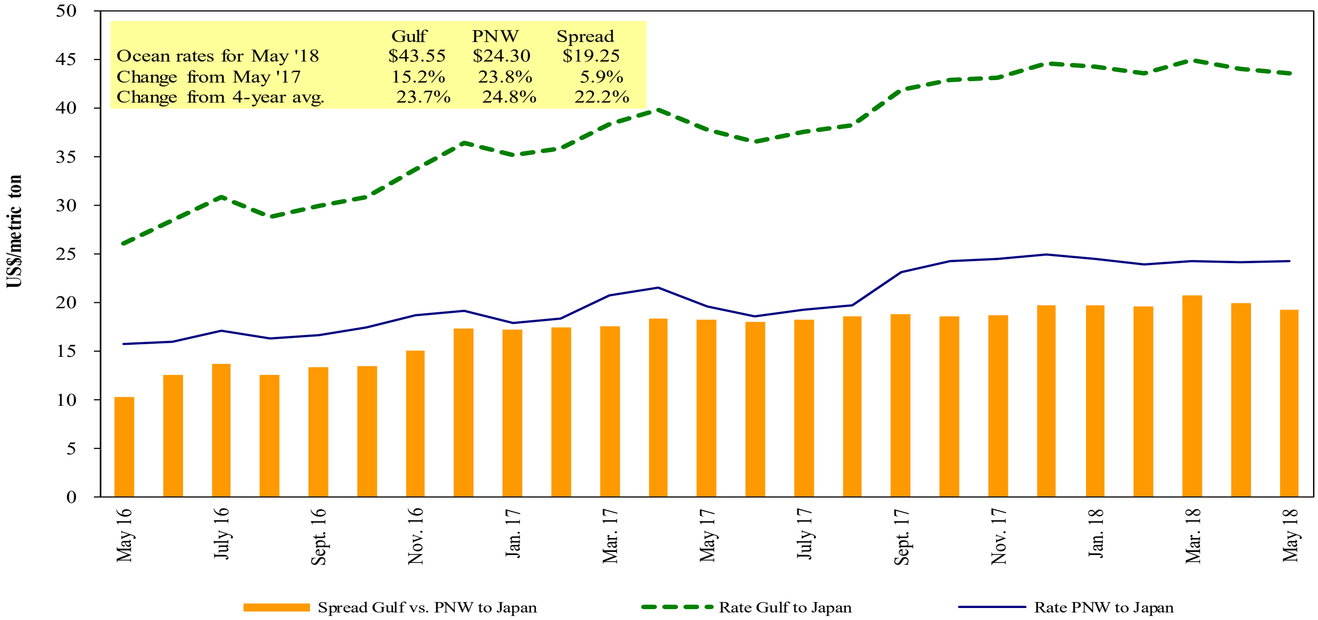
U.S. Gulf Vessel Loading Activity



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 06/09/2018

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Djibouti	Sorghum	Apr 16/26	18,200	69.87*
U.S. Gulf	Rotterdam	Heavy Grain	Apr 17/30	65,000	21.00
U.S. Gulf	Somalia	Sorghum	Apr 16/26	40,000	130.77*
PNW	Bangladesh	Wheat	Apr 6/16	43,500	63.35*
Brazil	China	Heavy Grain	Jun 22/30	60,000	35.00
Brazil	China	Heavy Grain	Jun 22/30	60,000	33.75
Brazil	China	Heavy Grain	Jun 20/30	60,000	33.25
Brazil	China	Heavy Grain	Jun 20/26	60,000	32.50
Brazil	China	Heavy Grain	Jun 12/20	66,000	30.75
Brazil	China	Heavy Grain	May 26/Jun 2	66,000	31.50
Brazil	China	Heavy Grain	May 20/30	60,000	30.75
Brazil	China	Heavy Grain	May 3/31	60,000	35.50
Brazil	China	Heavy Grain	Apr 25/30	60,000	35.00
Brazil	China	Heavy Grain	Apr 20/30	60,000	34.00
Brazil	China	Heavy Grain	Apr 3/12	66,000	36.25

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

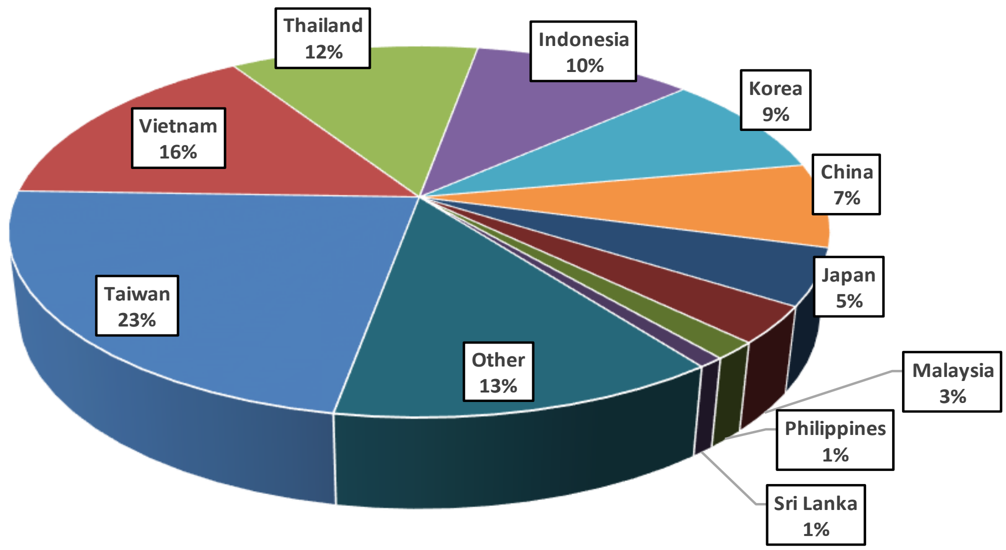
*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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-March 2018

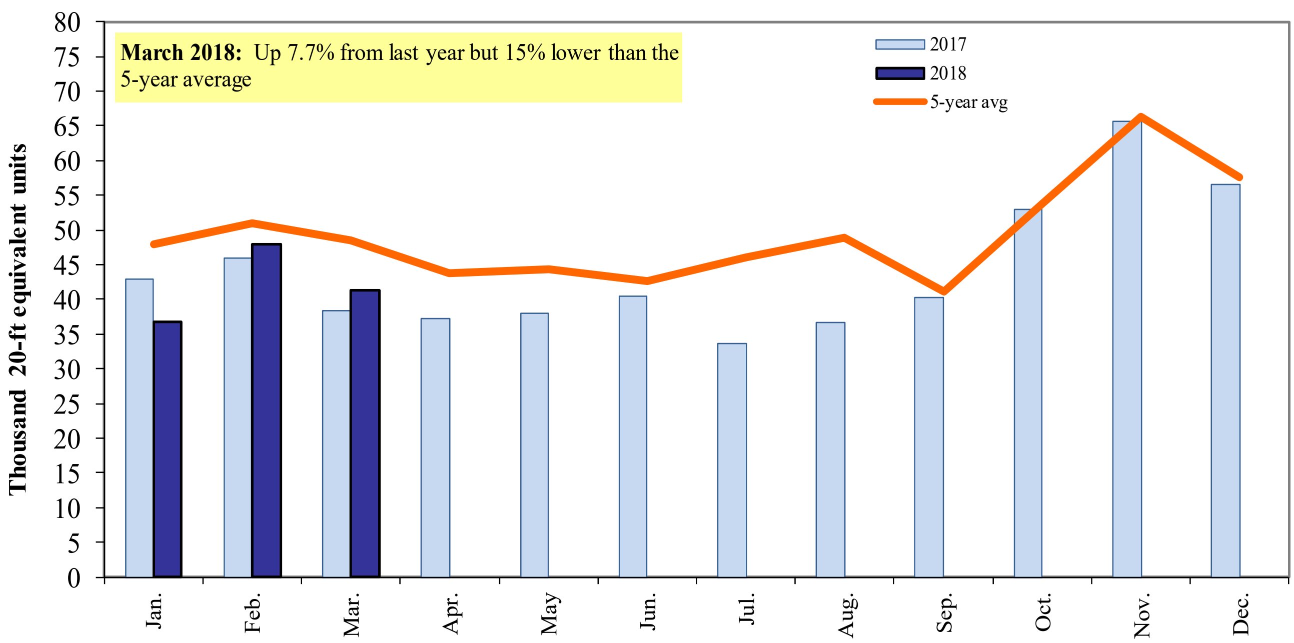


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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