United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service

www.ams.usda.gov/GTR

Contact Us

June 29, 2017

Contents

The next release is July 6, 2017

WEEKLY HIGHLIGHTS

The Port of Los Angeles Sets 12-Month Container Throughput Record

According to the Port of Los Angeles (LA), during the week ending June 23, "Evergreen Line's *Ever Sigma* container ship discharged the 9 millionth TEU (twenty-foot equivalent unit) to pass through the Port of Los Angeles in the span of 12 months, setting a new annual record for the most container throughput of any port in the North America." In 2015, the Port of Los Angeles moved nearly 8.2 million 20-ft equivalent units (TEU), of which more than 707,000 TEU were filled with agricultural cargo (see USDA-AMS's 2017 *Profiles of Top U.S. Agricultural Ports*, Los Angeles, CA Export/Import Profile). In 2015, the Port of LA handled 28 percent of containerized U.S. animal feed exports and 17 percent of total U.S. containerized agricultural exports.

KCS Increases Network Fluidity with New Sidings in Texas and Mexico

In a June 23 customer bulletin, Kansas City Southern Railway (KCS) announced the completion of two new sidings designed to boost fluidity and capacity on their respective routes. One siding, near Placedo, in southeastern Texas, will aid cross-border traffic along a notable bottleneck segment, helping "improve train meets and reduce delays to cross-border trains." The second siding, located in Michoacán, Mexico, will increase capacity "significantly to accommodate current train traffic more efficiently and allow for future growth." Railroads are important carriers of U.S. agricultural exports to Mexico, which were valued at $17.9 billion in 2016 according to USDA's Foreign Agricultural Service. Corn and soybeans topped U.S. agricultural exports to Mexico in 2016, valued at $2.6 and $1.5 billion, respectively (FAS, GATS data).

Total Grain Inspections Decrease

For the week ending June 22, **total inspections of grain** (corn, wheat, and soybeans) for export from major U.S. export regions reached 1.9 million metric tons (mmt), down 15 percent from the previous week, down 16 percent from the same time last year, but 6 percent above the 3-year average. Inspections of wheat and corn decreased from the previous week, but soybean inspections increased 8 percent over the same period. Soybean shipments increased primarily to Latin America and Europe. Mississippi Gulf grain inspections decreased 8 percent from the previous week, and Pacific Northwest (PNW) grain inspections decreased 20 percent over the same period. Outstanding export sales were down from the previous week for corn, wheat, and soybeans.

Snapshots by Sector

Export Sales

For the week ending June 15, **unshipped balances** of wheat, corn, and soybeans totaled 22.7 mmt, down 13 percent from the same time last year. Net weekly **wheat export sales** were .543 mmt, up 46 percent from the previous week. Net **corn export sales** were .529 mmt, down 12 percent from the previous week, and net **soybean export sales** were .111 mmt, down 67 percent from the past week.

Rail

U.S. Class I railroads originated 21,677 **grain carloads** for the week ending June 17, down 3 percent from the previous week, down 5 percent from last year, and up 6 percent from the 3-year average.

Average July shuttle **secondary railcar** bids/offers per car were $156 below tariff for the week ending June 22, down $3 from last week, and $131 lower than last year. There were no non-shuttle secondary railcar bids/offers this week.

Barge

For the week ending June 24, **barge grain movements** totaled 804,320 tons, 42 percent higher than the last week, and down 19 percent from the same period last year.

For the week ending June 24, 511 grain barges **moved down river**, up 44 percent from last week, 480 grain barges were **unloaded in New Orleans**, down 14 percent from the previous week.

Ocean

For the week ending June 22, 32 **ocean-going grain vessels** were loaded in the Gulf, 14 percent less than the same period last year. Forty-five vessels are expected to be loaded within the next 10 days, 8 percent less than the same period last year.

For the week ending June 22, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $36.75 per metric ton, 1 percent more than the previous week. The cost of shipping from the PNW to Japan was $19.00 per metric ton, 3 percent more than the previous week.

Fuel

During the week ending June 26, **average diesel fuel prices** decreased 2 cents from the previous week to $2.47 per gallon, 4 cents higher than the same week last year.

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Feature Article/Calendar

Containerized Grain Update—January-April, 2017

Through the first 4 months of 2017, U.S. containerized grain exports were 15 percent lower than last year and 21 percent lower than the 5-year average. Soybean shipments claimed the most containerized exports by metric ton (mt) (see table below), as shipments of distillers dried grains with solubles (DDGS) plummeted due to trade barriers imposed by China that began in 2016. According to the most recent Port Import Export Reporting Service (PIERS) data, containerized DDGS shipments have fallen by more than 500,000 mt over the previous year. The trade restrictions also resulted in a shift in destination markets, as U.S. exporters worked to gain new markets and overcome deficiencies from the loss of business in China.

U.S. Containerized Grain Exports, Jan-Apr, 2017					
HS Code	**HS Description**	**MT**	**TEU**	**Share**	**% change from 2016**
120100	Soybeans	810,011	56,947	36%	18%
230330	Distillers Dried Grains with Solubles (DDGS)	751,369	57,261	33%	-41%
100590	Corn	256,960	24,187	11%	86%
230990	Animal feed	239,268	16,611	11%	-9%
120810	Soybean meal	89,679	6,869	4%	-53%
	Other	122,024	9,013	5%	
	Total	**2,269,313**	**170,888**	**100%**	**-15%**
Source: Port Import Export Reporting Service (PIERS)					

In September 2016, China imposed preliminary tariffs and countervailing duties on DDGS imports from the United States due to alleged dumping practices. In January of this year, after nearly a year-long anti-dumping investigation, China increased the penalties to a final determination of 42.2 to 53.7 percent tariff and a countervailing duty of 11.2 to 12 percent. The U.S. Grains Council reports containerized DDGS to Shanghai is trading at $181 per mt in July[1], so the tariff would be $76 to $97 per mt and the countervailing duty would be $20 to $22 per mt, effectively pricing the product out of the market in many instances. Containerized DDGS exports have fallen substantially since the imposition of the Chinese trade barriers. So far this year, containerized DDGS exports are down 41 percent from the same time period in 2016 (see table), and total (including bulk and containerized) DDGS exports to China are down 62 percent according to USDA's Foreign Agricultural Service (FAS) Global Agricultural Trade System (GATS).

Disruption to the Chinese market has forced U.S. exporters to seek alternative destinations for DDGS exports. Some of the growing markets this year have been Turkey, Mexico, Canada, Korea, Thailand, and Indonesia, according to the total trade data from FAS/GATS, which includes both bulk and containerized movements. Approximately 49 percent of DDGS exports moved in containers, many to countries with smaller markets and limited storage capacity, such as Thailand, Indonesia, and Korea. Despite the trade barriers imposed, China remains the top destination market for U.S. containerized DDGS movements, but its share has fallen from roughly 50 percent to 22 percent in the first 4 months of 2017.

Challenges Ahead

It is uncertain how long the Chinese government will continue to impose the trade restrictions on U.S. DDGS exports. In February, U.S. exporters, represented by the U.S. Grains Council, Renewable Fuels

[1] U.S. Grains Council, *DDGS Weekly Market Report - June 22, 2017,* http://www.grains.org/buying-selling/ddgs-weekly-reports/20170626/ddgs-weekly-market-report-june-22-2017.

Association and Growth Energy, sent a letter to the White House asking for the Administration's assistance in, "urgently addressing China's recent implementation of protectionist trade barriers…."[1]

As expressed by agricultural exporters at the at the Agriculture Transportation Coalition's 29th Annual Meeting in early June, in Long Beach, California, another challenge facing U.S. agricultural exporters is concerns over impacts the new carrier alliance structure will have on vessel service for the remainder of the year.

Continued uncertainties surround the new carrier alliance structure. In April, the top ocean container carriers adjusted the alliance structure from four major alliances to three. Alliances allow carriers to share vessel space and operational responsibilities in an effort to become more efficient and profitable. As containerized grain and other agricultural exporters seek new opportunities in smaller Southeast Asian countries, finding service to these destinations may be a challenge, as carriers rely more heavily on a "hub and spoke" model for vessel service. This means exporters may only have direct vessel service to large foreign hub ports, with access to smaller ports requiring an additional transshipment. At the meeting, exporters also expressed concerns that the new alliance structures have resulted in fewer vessels calls in the United States and longer transit times that in some cases are very unpredictable.

Container availability was another item of concern for exporters. Even inland locations like Chicago—that typically has a large supply of equipment—saw volumes decline in May and June.[2] This is the second incidence of container shortages that has surfaced this year and many exporters fear more are coming. A couple of issues slowed the production of containers supplied to the market which has likely caused these pockets of container shortages. First, Chinese production of containers has been slow the past few years in responses to slower demand. Secondly, container production has slowed recently in order for those manufacturers to adjust production methods to use more environmentally friendly materials.

The combination of the Chinese disruptions to the U.S. DDGS export markets, new carrier alliance structures, and threats of less containers has given U.S. agricultural exporters plenty to worry about for the rest of the year. *april.taylor@ams.usda.gov*

[1] U.S. Grain Council, https://www.grains.org/sites/default/files/USGC%20RFA%20Growth%20POTUS%20China%20Letter%20-%20February%202017.pdf.

[2] Journal of Commerce, June 14, 2017, "US exporters struggling to find inland containers." Also, see the weekly *Ocean Shipping Container Availability Report* (*OSCAR*), www.ams.usda.gov/oscar, for weekly updates.

Grain Transportation Indicators

Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
For the week ending		Unit Train	Shuttle		Gulf	Pacific
06/28/17	165	265	203	177	164	135
06/21/17	167	263	204	164	162	131

[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

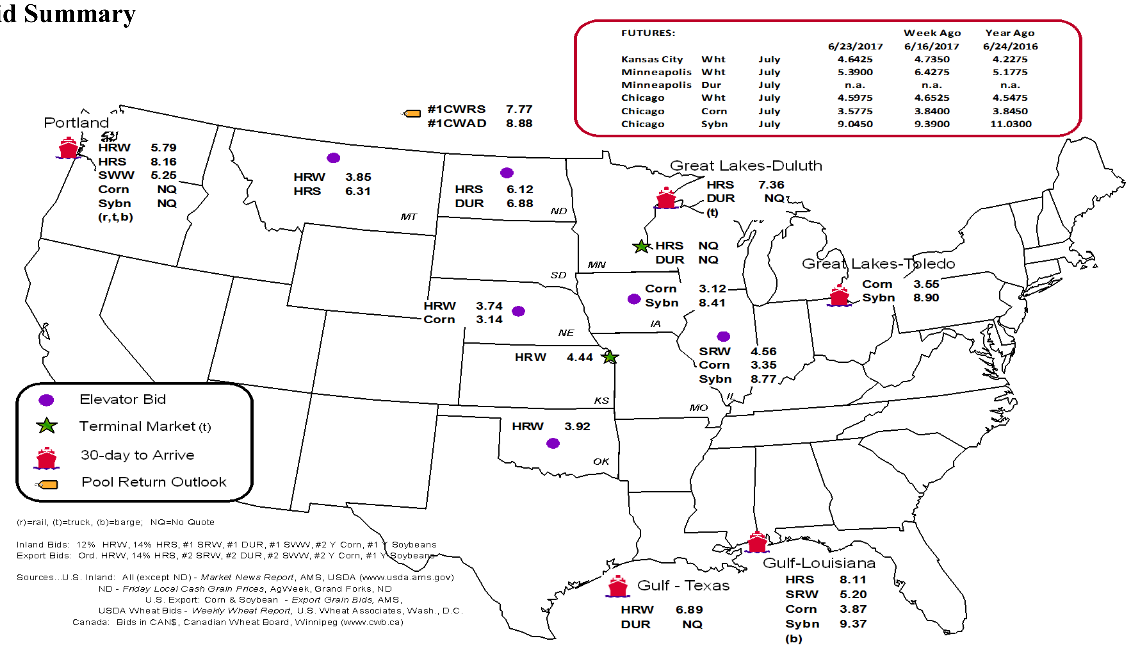
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	6/23/2017	6/16/2017
Corn	IL--Gulf	-0.52	-0.52
Corn	NE--Gulf	-0.73	-0.74
Soybean	IA--Gulf	-0.96	-0.99
HRW	KS--Gulf	-2.45	-2.72
HRS	ND--Portland	-2.04	-1.88

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]
06/21/2017[p]	257	1,479	5,826	n/a	7,562	6/17/2017	2,560
06/14/2017[r]	231	1,635	6,371	n/a	8,237	6/10/2017	2,737
2017 YTD[r]	14,581	47,140	152,447	10,886	225,054	2017 YTD	56,582
2016 YTD[r]	6,163	37,137	123,654	9,461	176,415	2016 YTD	50,890
2017 YTD as % of 2016 YTD	237	127	123	115	128	% change YTD	111
Last 4 weeks as % of 2016[2]	359	108	145	68	137	Last 4wks % 2016	134
Last 4 weeks as % of 4-year avg.[2]	364	129	214	52	187	Last 4wks % 4 yr	145
Total 2016	36,925	86,992	299,932	28,728	452,577	Total 2016	92,982
Total 2015	29,054	60,819	239,029	26,730	355,632	Total 2015	97,736

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2016 and prior 4-year average.

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

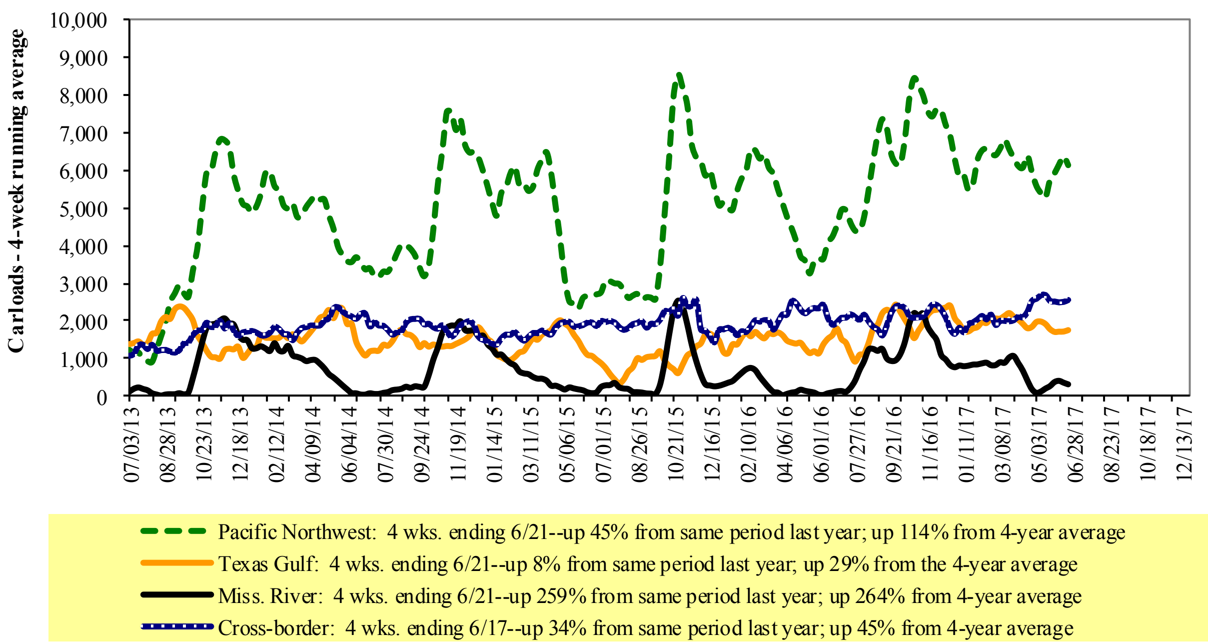
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 24 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

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

For the week ending: 6/17/2017	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,244	3,001	11,045	848	5,539	21,677	3,345	6,202
This week last year	1,930	2,779	12,393	909	4,703	22,714	2,871	4,295
2017 YTD	42,767	67,081	278,563	22,905	143,573	554,889	92,933	106,122
2016 YTD	43,881	66,723	242,826	20,741	124,247	498,418	76,726	99,587
2017 YTD as % of 2016 YTD	97	101	115	110	116	111	121	107
Last 4 weeks as % of 2016*	95	96	121	112	113	113	133	130
Last 4 weeks as % of 3-yr avg.**	89	95	136	109	108	117	87	101
Total 2016	95,179	151,005	590,779	45,246	300,836	1,183,045	193,964	234,738

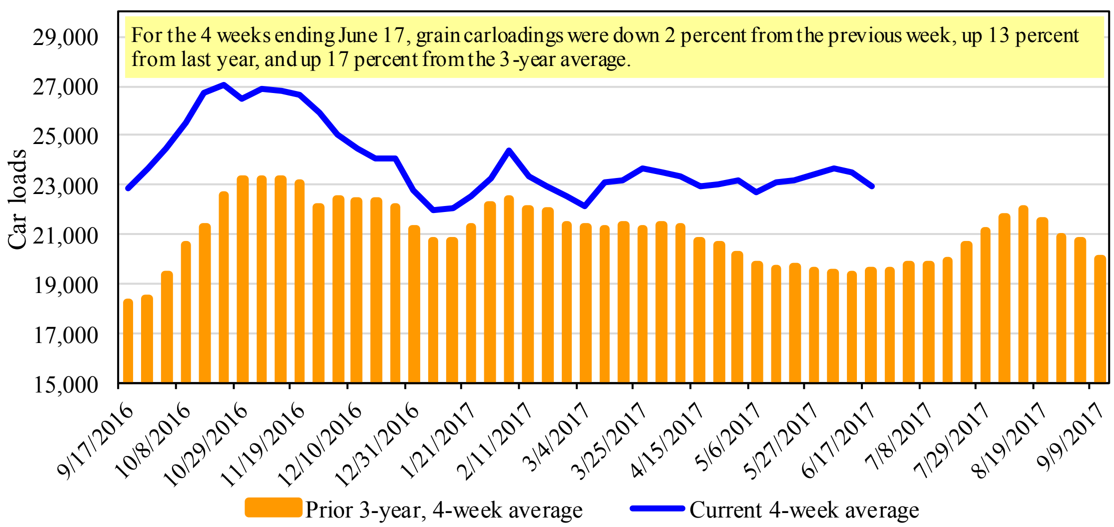
*The past 4 weeks of this year as a percent of the same 4 weeks last year.

**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: 6/22/2017		Delivery period							
		Jul-17	Jul-16	Aug-17	Aug-16	Sep-17	Sep-16	Oct-17	Oct-16
BNSF[3]	COT grain units	0	7	no bids	0	no bids	1	no bids	1
	COT grain single-car[5]	0	0-11	0	21-71	0	0-8	0	42415
UP[4]	GCAS/Region 1	no bids	no bids	no bids	no bids	no offer	no bids	n/a	n/a
	GCAS/Region 2	no bids	no bids	no bids	no bids	no offer	10	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.

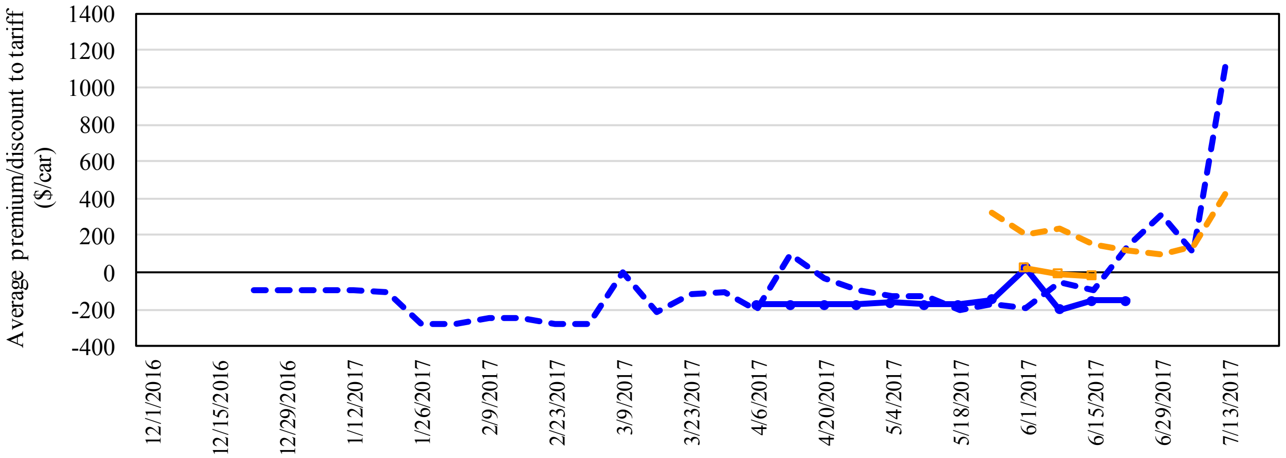
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[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 July 2017, Secondary Market

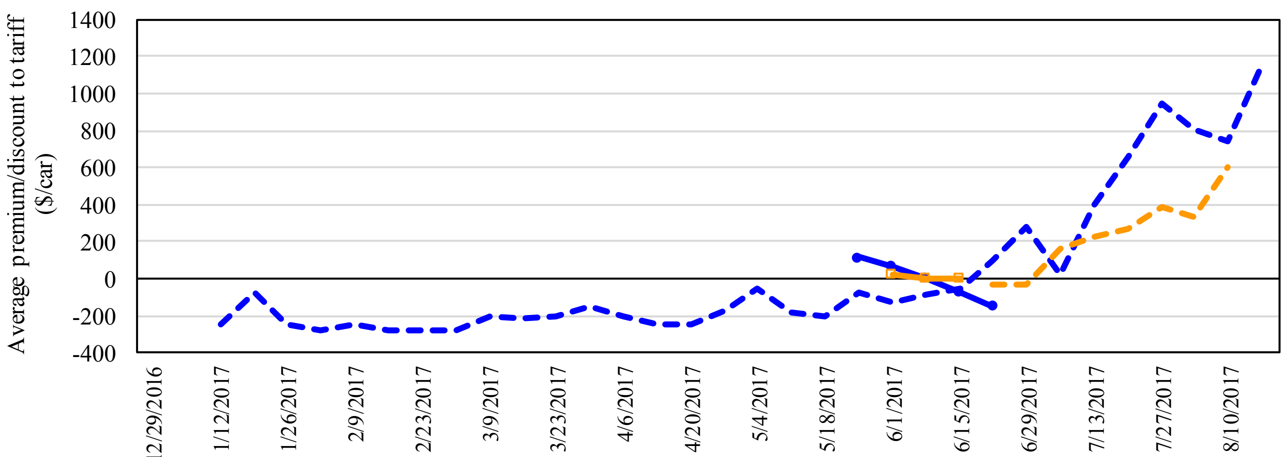


6/22/2017	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	-$75	-$238

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers fell $3 this week and are $181 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 August 2017, Secondary Market



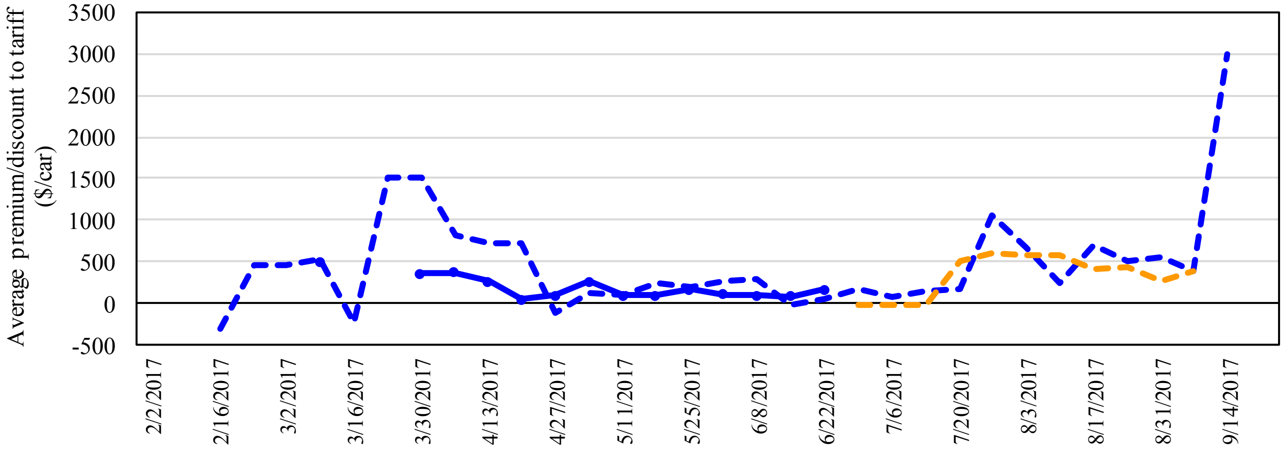
6/22/2017	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	-$150

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers fell $75 this week and are $263 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 September 2017, Secondary Market



6/22/2017	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	$233	$100

There were no Non-Shuttle bids/offers this week.
Average Shuttle bids/offers rose $85 this week and are $333 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: 6/22/2017	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
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 2016	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 2016	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle	**BNSF-GF**	**(75)**	**n/a**	**233**	**1300**	**n/a**	**0**
	Change from last week	0	n/a	120	(300)	n/a	0
	Change from same week 2016	(75)	n/a	0	233	n/a	25
	UP-Pool	**(238)**	**(150)**	**100**	**650**	**n/a**	**n/a**
	Change from last week	(7)	0	50	0	n/a	n/a
	Change from same week 2016	(188)	(150)	0	175	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]

June, 2017	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	$51	$39.06	$1.06	9
	Grand Forks, ND	Duluth-Superior, MN	$4,143	$0	$41.14	$1.12	20
	Wichita, KS	Los Angeles, CA	$7,050	$0	$70.01	$1.91	1
	Wichita, KS	New Orleans, LA	$4,540	$89	$45.97	$1.25	9
	Sioux Falls, SD	Galveston-Houston, TX	$6,786	$0	$67.39	$1.83	5
	Northwest KS	Galveston-Houston, TX	$4,816	$98	$48.79	$1.33	9
	Amarillo, TX	Los Angeles, CA	$5,021	$136	$51.21	$1.39	9
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,681	$101	$37.55	$0.95	3
	Toledo, OH	Raleigh, NC	$6,061	$0	$60.19	$1.53	0
	Des Moines, IA	Davenport, IA	$2,258	$21	$22.63	$0.57	5
	Indianapolis, IN	Atlanta, GA	$5,191	$0	$51.55	$1.31	4
	Indianapolis, IN	Knoxville, TN	$4,311	$0	$42.81	$1.09	0
	Des Moines, IA	Little Rock, AR	$3,534	$63	$35.72	$0.91	4
	Des Moines, IA	Los Angeles, CA	$5,202	$182	$53.47	$1.36	7
Soybeans	Minneapolis, MN	New Orleans, LA	$3,634	$74	$36.83	$1.00	0
	Toledo, OH	Huntsville, AL	$5,051	$0	$50.16	$1.37	0
	Indianapolis, IN	Raleigh, NC	$6,178	$0	$61.35	$1.67	0
	Indianapolis, IN	Huntsville, AL	$4,529	$0	$44.98	$1.22	0
	Champaign-Urbana, IL	New Orleans, LA	$4,495	$101	$45.64	$1.24	5
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,953	$0	$39.26	$1.07	3
	Wichita, KS	Galveston-Houston, TX	$4,171	$0	$41.42	$1.13	8
	Chicago, IL	Albany, NY	$5,492	$0	$54.54	$1.48	0
	Grand Forks, ND	Portland, OR	$5,611	$0	$55.72	$1.52	2
	Grand Forks, ND	Galveston-Houston, TX	$5,931	$0	$58.90	$1.60	2
	Northwest KS	Portland, OR	$5,812	$160	$59.30	$1.61	9
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	$3,481	$101	$35.57	$0.90	3
	Lincoln, NE	Galveston-Houston, TX	$3,700	$0	$36.74	$0.93	3
	Des Moines, IA	Amarillo, TX	$3,895	$79	$39.46	$1.00	5
	Minneapolis, MN	Tacoma, WA	$5,000	$0	$49.65	$1.26	0
	Council Bluffs, IA	Stockton, CA	$4,740	$0	$47.07	$1.20	2
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,600	$0	$55.61	$1.51	2
	Minneapolis, MN	Portland, OR	$5,650	$0	$56.11	$1.53	3
	Fargo, ND	Tacoma, WA	$5,500	$0	$54.62	$1.49	2
	Council Bluffs, IA	New Orleans, LA	$4,525	$116	$46.09	$1.25	5
	Toledo, OH	Huntsville, AL	$4,226	$0	$41.97	$1.14	0
	Grand Island, NE	Portland, OR	$5,460	$164	$55.85	$1.52	5

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

[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

Sources: www.bnsf.com, www.cn.ca, www.csx.com, www.up.com

Table 8

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

Date: June, 2017							
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
Wheat	MT	Chihuahua, CI	$7,459	$0	$76.21	$2.07	0
	OK	Cuautitlan, EM	$6,631	$70	$68.46	$1.86	3
	KS	Guadalajara, JA	$7,309	$261	$77.35	$2.10	7
	TX	Salinas Victoria, NL	$4,292	$43	$44.29	$1.20	5
Corn	IA	Guadalajara, JA	$8,187	$212	$85.82	$2.18	3
	SD	Celaya, GJ	$7,580	$0	$77.45	$1.97	1
	NE	Queretaro, QA	$7,909	$145	$82.30	$2.09	2
	SD	Salinas Victoria, NL	$6,635	$0	$67.79	$1.72	1
	MO	Tlalnepantla, EM	$7,268	$142	$75.71	$1.92	2
	SD	Torreon, CU	$7,180	$0	$73.36	$1.86	1
Soybeans	MO	Bojay (Tula), HG	$8,647	$223	$90.63	$2.46	2
	NE	Guadalajara, JA	$8,942	$227	$93.68	$2.55	0
	IA	El Castillo, JA	$8,960	$0	$91.55	$2.49	-5
	KS	Torreon, CU	$7,489	$152	$78.07	$2.12	2
Sorghum	NE	Celaya, GJ	$7,164	$190	$75.14	$1.91	0
	KS	Queretaro, QA	$7,608	$87	$78.62	$2.00	2
	NE	Salinas Victoria, NL	$6,213	$70	$64.19	$1.63	2
	NE	Torreon, CU	$6,607	$140	$68.94	$1.75	1

[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

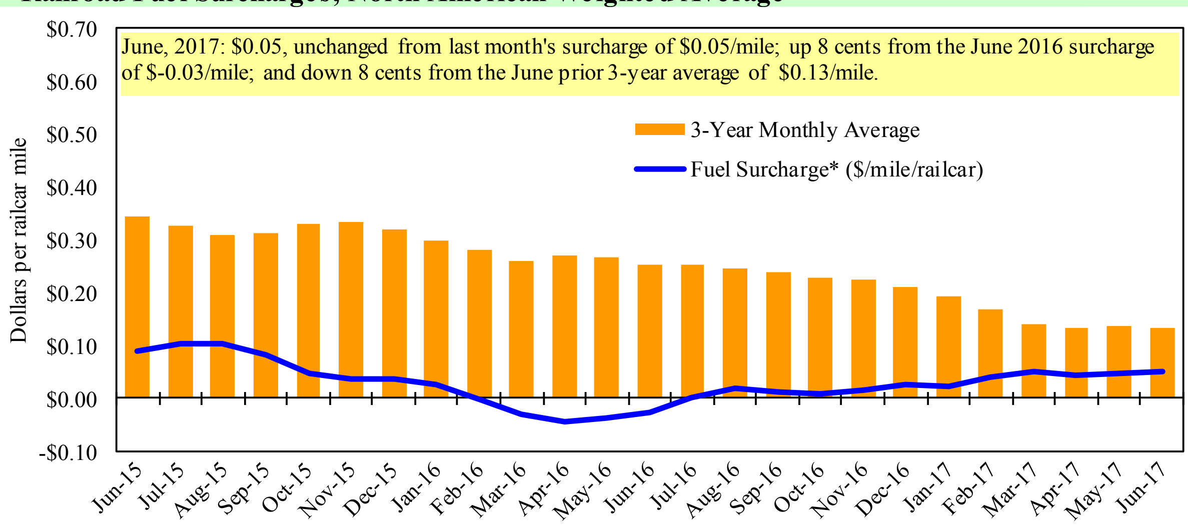
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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.

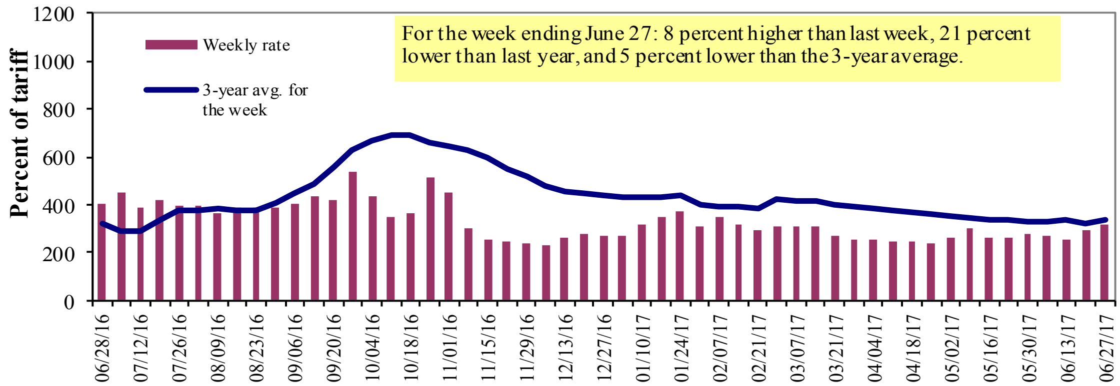
**CSX strike price changed from $2.00/gal. to $3.75/gal. starting January 1, 2015.

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]	6/27/2017	375	310	318	215	210	210	178
	6/20/2017	343	283	295	198	195	195	178
$/ton	6/27/2017	23.21	16.49	14.76	8.58	9.85	8.48	5.59
	6/20/2017	21.23	15.06	13.69	7.90	9.15	7.88	5.59
Current week % change from the same week:								
	Last year	-20	-24	-21	-22	-23	-23	-28
	3-year avg. [2]	-16	-13	5	-20	-20	-20	-21
Rate[1]	July	375	305	310	215	210	210	183
	September	413	363	363	300	363	363	275

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds
Source: Transportation & Marketing Programs/AMS/USDA

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.

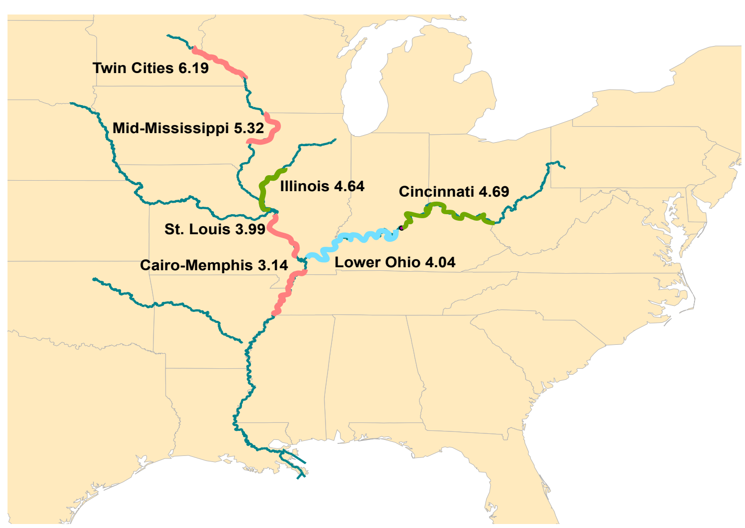
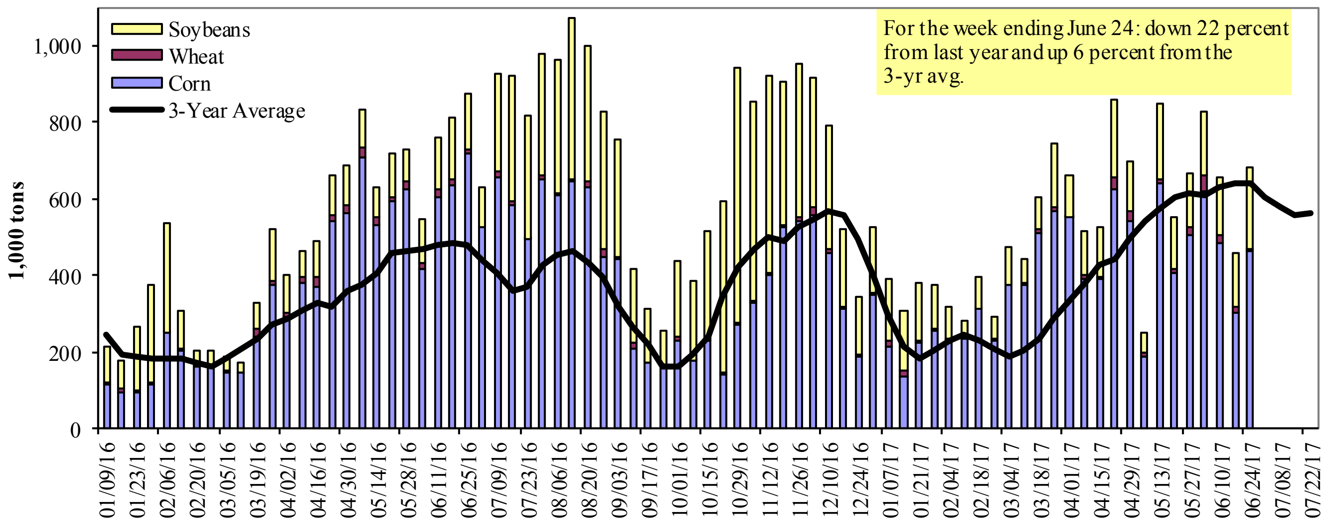


Figure 10

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 6/24/2017	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	334	20	150	0	504
Winfield, MO (L25)	388	6	153	0	547
Alton, IL (L26)	487	8	213	0	708
Granite City, IL (L27)	462	8	213	0	682
Illinois River (L8)	105	2	68	0	174
Ohio River (L52)	17	30	24	0	71
Arkansas River (L1)	0	41	11	0	52
Weekly total - 2017	479	78	247	0	804
Weekly total - 2016	729	75	176	16	996
2017 YTD[1]	11,999	1,073	5,809	157	19,038
2016 YTD	11,670	936	4,953	162	17,720
2017 as % of 2016 YTD	103	115	117	97	107
Last 4 weeks as % of 2016[2]	82	103	120	25	90
Total 2016	24,136	2,030	16,668	344	43,178

[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.

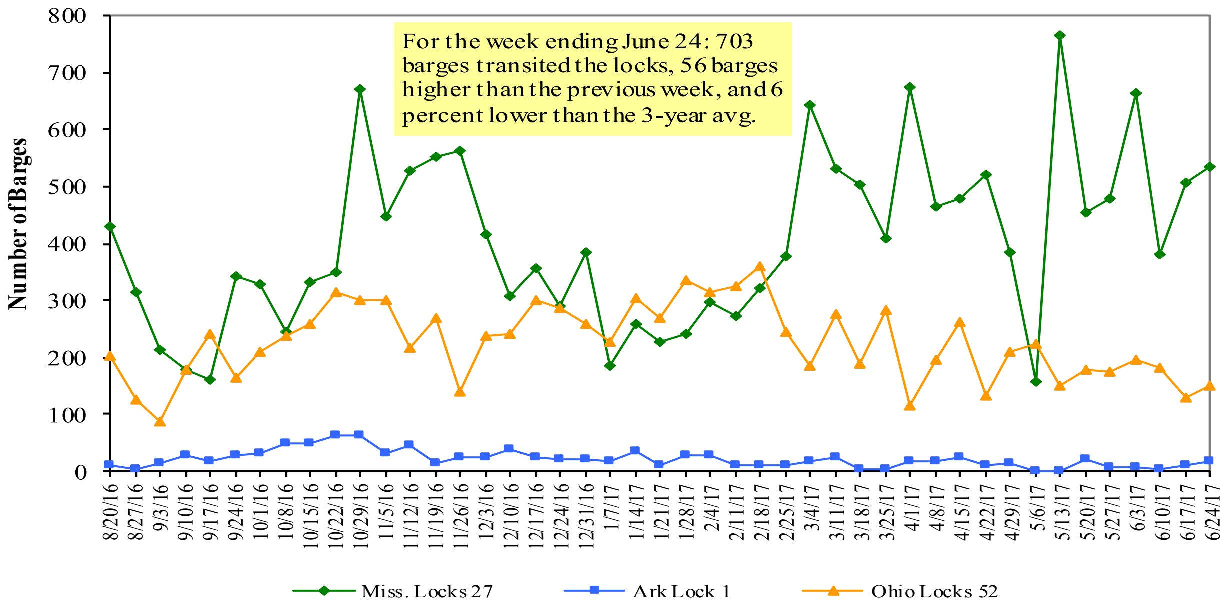
[2] As a percent of same period in 2016.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers

Figure 11

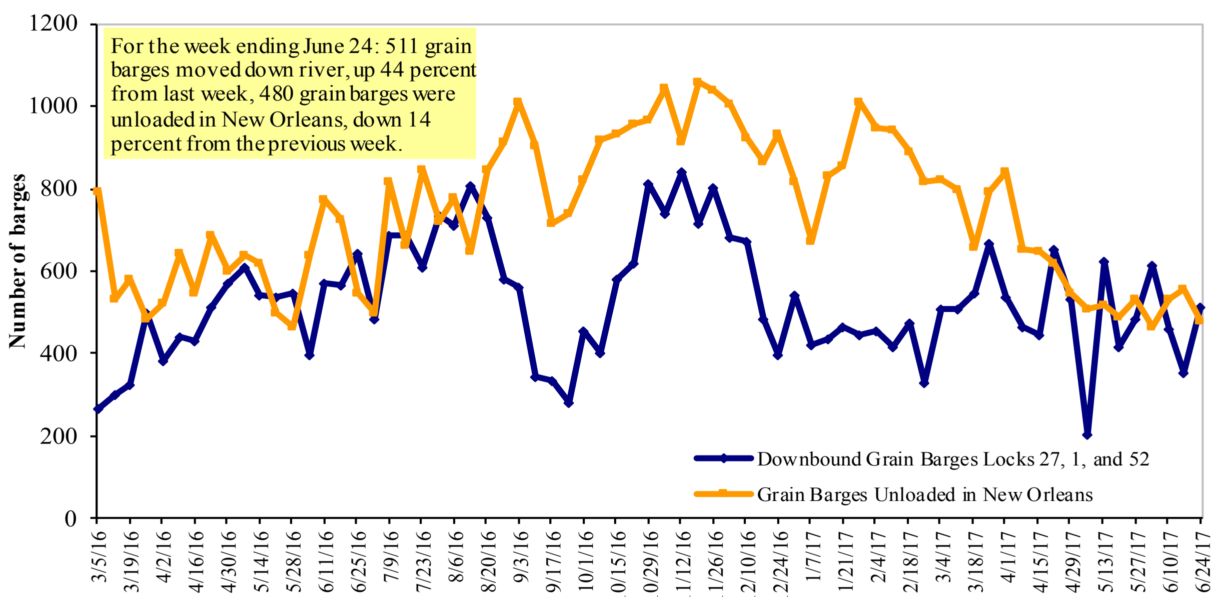
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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[1], Week Ending 6/26/2017(US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.516	-0.023	0.074
	New England	2.577	-0.013	0.086
	Central Atlantic	2.670	-0.013	0.135
	Lower Atlantic	2.396	-0.031	0.035
II	Midwest[2]	2.386	-0.025	-0.003
III	Gulf Coast[3]	2.305	-0.024	0.020
IV	Rocky Mountain	2.592	-0.033	0.163
V	West Coast	2.757	-0.025	0.044
	West Coast less California	2.626	-0.029	0.026
	California	2.863	-0.021	0.060
Total	U.S.	2.465	-0.024	0.039

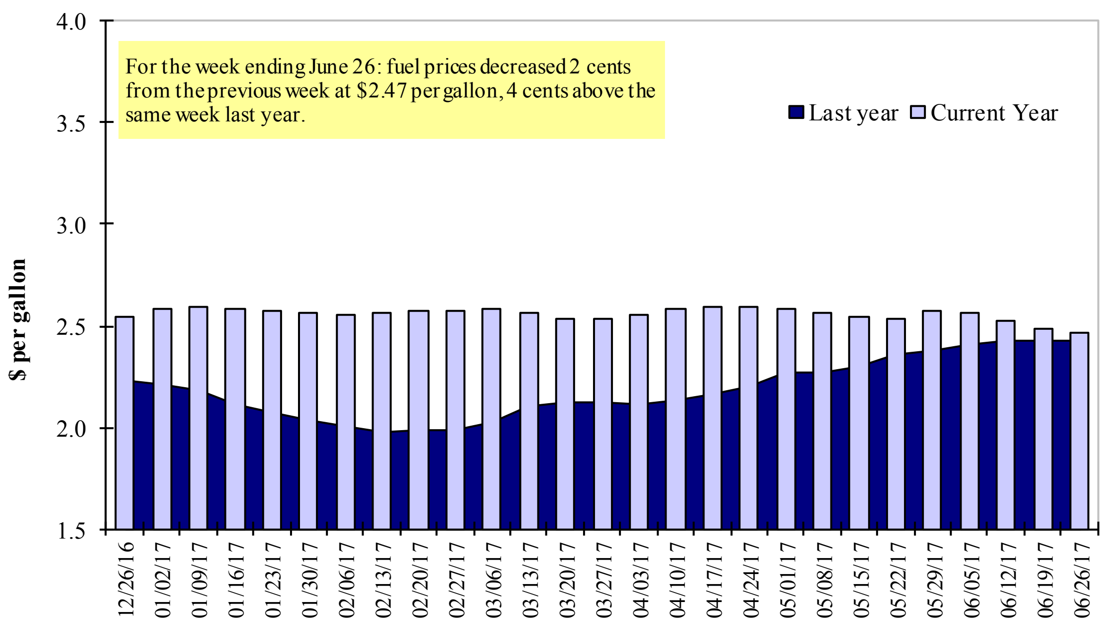
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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)

For the week ending	Wheat HRW	Wheat SRW	Wheat HRS	Wheat SWW	Wheat DUR	Wheat All wheat	Corn	Soybeans	Total
Export Balances[1]									
6/15/2017	2,011	682	1,740	1,487	169	6,089	9,864	6,788	22,741
This week year ago	1,890	705	2,154	1,049	141	5,939	13,740	6,393	26,072
Cumulative exports-marketing year[2]									
2016/17 YTD	612	86	391	313	35	1,436	45,282	52,261	98,979
2015/16 YTD	462	66	274	238	11	1,052	32,674	43,538	77,264
YTD 2016/17 as % of 2015/16	132	129	143	131	308	137	139	120	128
Last 4 wks as % of same period 2015/16	95	75	70	124	105	89	79	110	89
2015/16 Total	5,538	3,057	6,285	3,551	670	19,101	45,564	49,821	114,487
2014/15 Total	7,009	3,654	7,250	3,758	665	22,336	45,205	49,614	117,155

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

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

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

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

Table 13

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

For the week ending 6/15/2017	Total Commitments[2] 2017/18 Next MY	2016/17 Current MY	2015/16 Last MY	% change current MY from last MY	Exports[3] 3-year avg 2013-2015
	- 1,000 mt -				- 1,000 mt -
Mexico	1,543	13,151	12,272	7	11,204
Japan	546	11,278	10,008	13	11,284
Korea	0	5,569	2,324	140	3,931
Colombia	7	4,117	4,468	(8)	4,134
Peru	28	2,867	2,016	42	2,109
Top 5 Importers	**2,124**	**36,983**	**31,087**	**19**	**32,662**
Total US corn export sales	**2,879**	**55,146**	**44,634**	**24**	**46,633**
% of Projected	6%	97%	92%		
Change from prior week[2]	**124**	**529**	**871**		
Top 5 importers' share of U.S. corn export sales	74%	67%	70%		70%
USDA forecast, June 2017	**47,710**	**56,616**	**48,295**	**17**	
Corn Use for Ethanol USDA forecast, June 2017	**139,700**	**138,430**	**132,690**	**5**	

[1]Based on FAS Marketing Year Ranking Reports for 2015/16 - 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 outastanding 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 6/15/2017	Total Commitments[2] 2017/18 Next MY	2016/17 Current MY	2015/16 Last MY	% change current MY from last MY	Exports[3] 3-yr avg. 2013-2015
	- 1,000 mt -				- 1,000 mt -
China	1,102	35,956	27,569	30	29,033
Mexico	247	3,527	3,229	9	3,295
Indonesia	3	2,114	1,769	19	2,065
Japan	197	2,134	2,238	(5)	1,994
Netherlands	0	1,638	1,428	15	1,644
Top 5 importers	**1,549**	**45,370**	**36,234**	**25**	**38,032**
Total US soybean export sales	**3,441**	**59,049**	**49,270**	**20**	**48,389**
% of Projected	6%	106%	93%		
Change from prior week[2]	**4**	**111**	**661**		
Top 5 importers' share of U.S. soybean export sales	45%	77%	74%		**79%**
USDA forecast, June 2017	**58,583**	**55,858**	**52,752**	**6**	

(n) indicates negative number.

[1]Based on FAS Marketing Year Ranking Reports for 2015/16 - 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 6/15/2017	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	658	428	54	2,620
Mexico	1,005	685	47	2,743
Philippines	636	679	(6)	2,395
Brazil	63	167	(62)	862
Nigeria	315	321	(2)	1,254
Korea	593	344	73	1,104
China	326	196	66	1,623
Taiwan	298	147	102	768
Indonesia	185	97	92	726
Colombia	187	172	8	635
Top 10 importers	**4,264**	**3,237**	32	**14,729**
Total US wheat export sales	**7,525**	**6,990**	**8**	**24,485**
% of Projected	27%	33%		
Change from prior week[2]	**543**	**463**		
Top 10 importers' share of U.S. wheat export sales	57%	46%		60%
USDA forecast, June 2017	**28,202**	**21,117**	**34**	

(n) indicates negative number.

[1] Based on FAS Marketing Year Ranking Reports for 2015/16 - 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 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 06/22/17	Previous Week[1]	Current Week as % of Previous	2017 YTD	2016 YTD	2017 YTD as % of 2016 YTD	Last 4-weeks as % of: Last Year	Prior 3-yr. avg.	2016 Total
Pacific Northwest									
Wheat	362	490	74	7,746	5,876	132	152	165	12,325
Corn	256	304	84	7,941	4,744	167	115	138	12,009
Soybeans	70	69	103	4,518	4,435	102	3461	2904	14,447
Total	**688**	**862**	**80**	**20,205**	**15,055**	**134**	**147**	**168**	**38,782**
Mississippi Gulf									
Wheat	89	36	246	2,377	1,682	141	149	117	3,480
Corn	489	630	78	17,229	15,161	114	60	74	31,420
Soybeans	160	136	118	11,494	9,849	117	125	129	35,278
Total	**738**	**802**	**92**	**31,100**	**26,692**	**117**	**74**	**86**	**70,178**
Texas Gulf									
Wheat	144	247	58	3,620	1,752	207	132	159	6,019
Corn	31	0	n/a	407	471	86	64	72	1,669
Soybeans	0	0	n/a	0	92	0	n/a	n/a	1,105
Total	**175**	**247**	**71**	**4,027**	**2,315**	**174**	**123**	**146**	**8,792**
Interior									
Wheat	46	6	721	859	599	143	137	133	1,543
Corn	165	246	67	3,921	3,358	117	129	143	7,197
Soybeans	97	69	141	2,430	1,903	128	119	155	4,577
Total	**308**	**321**	**96**	**7,210**	**5,860**	**123**	**126**	**145**	**13,317**
Great Lakes									
Wheat	22	0	n/a	276	228	121	100	92	1,186
Corn	0	12	0	96	126	76	82	171	584
Soybeans	0	22	0	126	23	543	n/a	428	910
Total	**22**	**35**	**64**	**497**	**377**	**132**	**115**	**135**	**2,681**
Atlantic									
Wheat	0	0	n/a	37	183	20	51	1	315
Corn	0	0	n/a	5	14	38	n/a	0	294
Soybeans	4	11	35	909	882	103	101	141	2,269
Total	**4**	**11**	**35**	**951**	**1,078**	**88**	**99**	**31**	**2,878**
U.S. total from ports[2]									
Wheat	662	779	85	14,915	10,320	145	143	148	24,867
Corn	941	1,193	79	29,599	23,873	124	81	97	53,173
Soybeans	331	306	108	19,478	17,184	113	164	181	58,587
Total	**1,935**	**2,278**	**85**	**63,991**	**51,377**	**125**	**105**	**120**	**136,627**

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

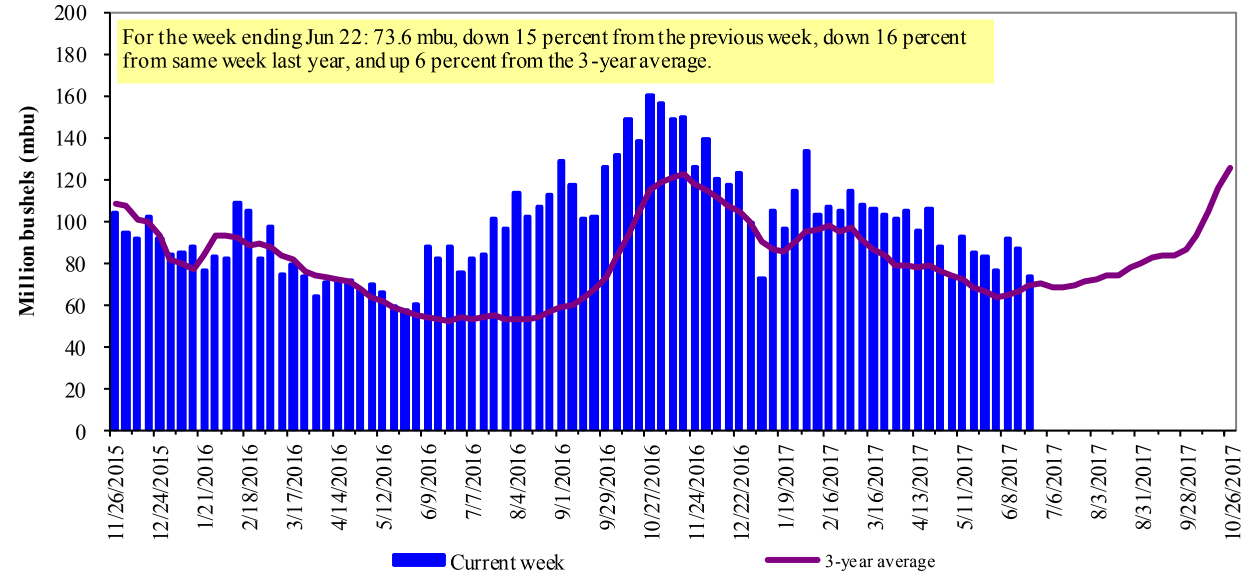
Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

[2] Total only includes regions shown above.

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 58 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2016.

Figure 14

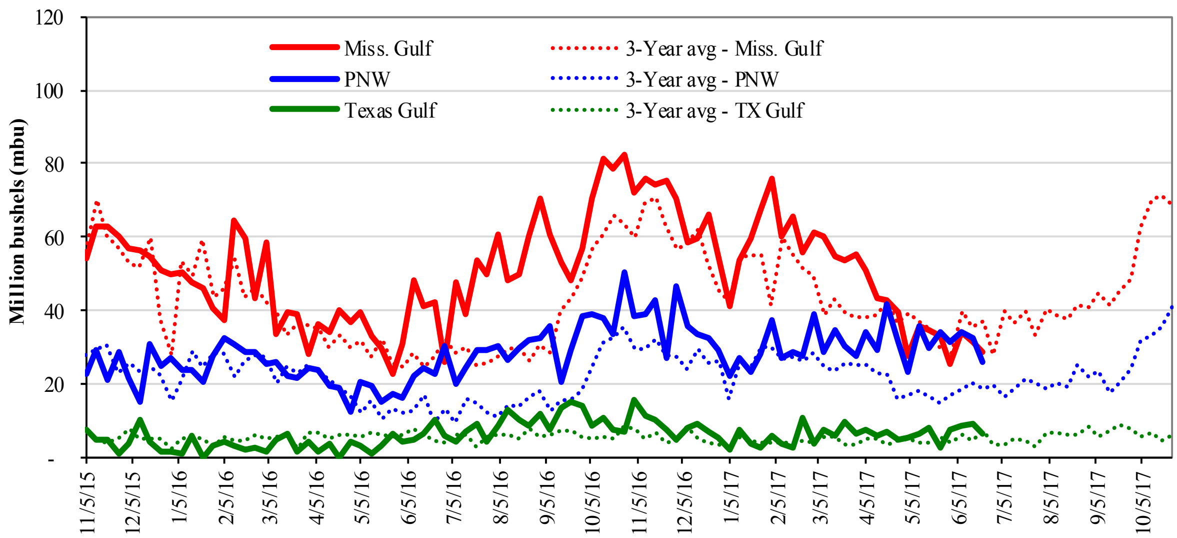
U.S. grain inspected for export (wheat, corn, and soybeans)



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 06/22/17 inspections (mbu):		Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Mississippi Gulf:	28.4	Last Week:	down 9	down 28	down 13	down 20
PNW:	25.9	Last Year (same week):	down 33	down 34	down 33	up 15
Texas Gulf:	6.5	3-yr avg. (4-wk. mov. Avg):	down 18	up 21	down 13	up 40

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)
[1]The 3-year average is based on a 4-week running average

Ocean Transportation

Table 17

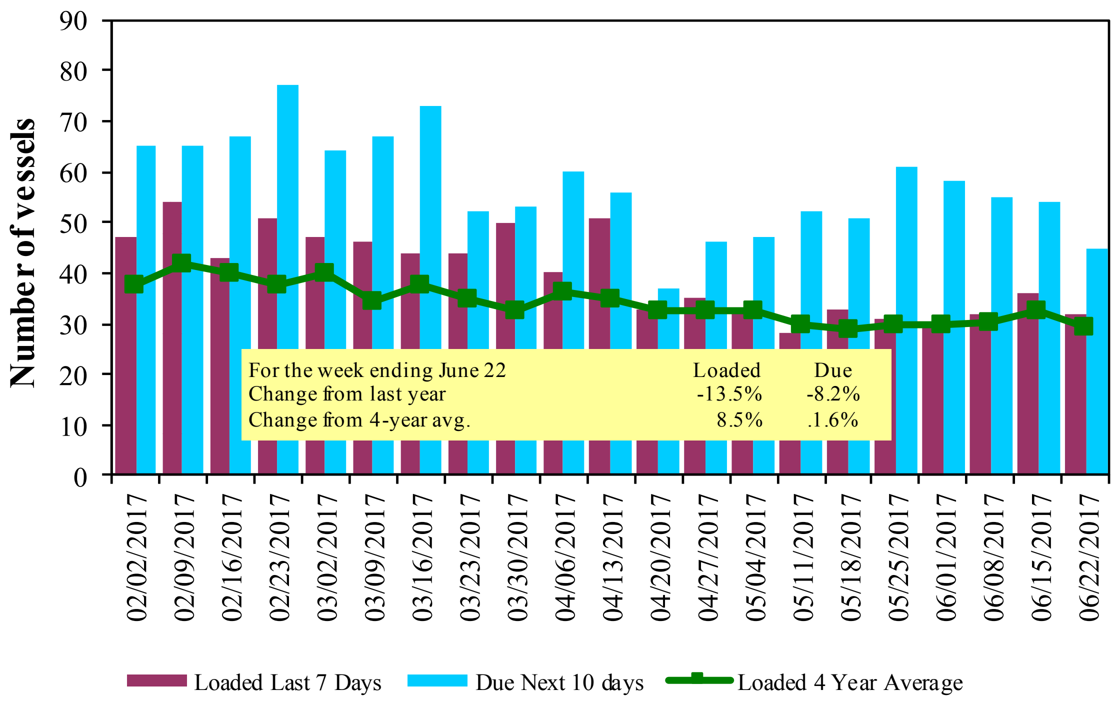
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
6/22/2017	40	32	45	16	n/a
6/15/2017	40	36	54	21	n/a
2016 range	(21..62)	(27..55)	(40..87)	(6..27)	n/a
2016 avg.	43	40	62	15	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf Vessel Loading Activity

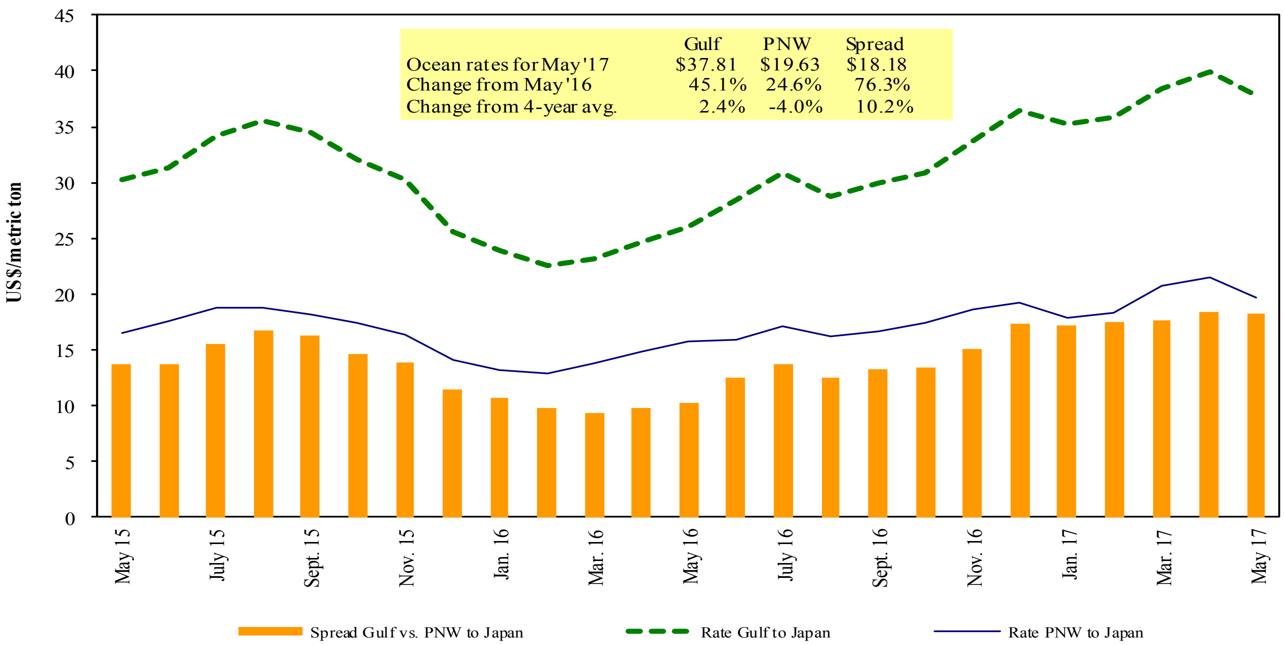


Source: Transportation & Marketing Programs/AMS/USDA

[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 06/24/2017

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Cote d'Ivoire	Rice	Jun 19/29	6,000	93.33*
U.S. Gulf	Ghana	Rice	Jun 9/19	6,000	341.67*
U.S. Gulf	Ghana	Soybean Meal	Jun 9/19	5,000	86.75*
U.S. Gulf	Hiati	Wheat	Jul 3/13	20,000	80.00*
U.S. Gulf	Jordan	Wheat	Jun 19/28	50,000	36.00
PNW	Taiwan	Wheat	Jun 9/23	48,425	29.70
PNW	Taiwan	Wheat	May 6/20	52,500	28.48
PNW	Taiwan	Wheat	Apr 19/May 3	50,350	29.12
Brazil	China	Heavy Grain	Jul 15/30	60,000	22.75
Brazil	China	Heavy Grain	Jul 1/10	60,000	22.00
Brazil	China	Heavy Grain	Jul 1/5	60,000	22.25
Brazil	China	Heavy Grain	Jun 20/30	60,000	24.00
Brazil	China	Heavy Grain	Jun 10/20	60,000	24.75
Brazil	China	Heavy Grain	May 20/30	60,000	25.50
Brazil	China	Heavy Grain	May 20/30	60,000	26.50
Brazil	Iran	Heavy Grain	Jun 15/18	70,000	22.75
EC S. America	China	Heavy Grain	May 20/30	60,000	29.75
River Plate	China	Heavy Grain	May 10/20	63,000	35.50

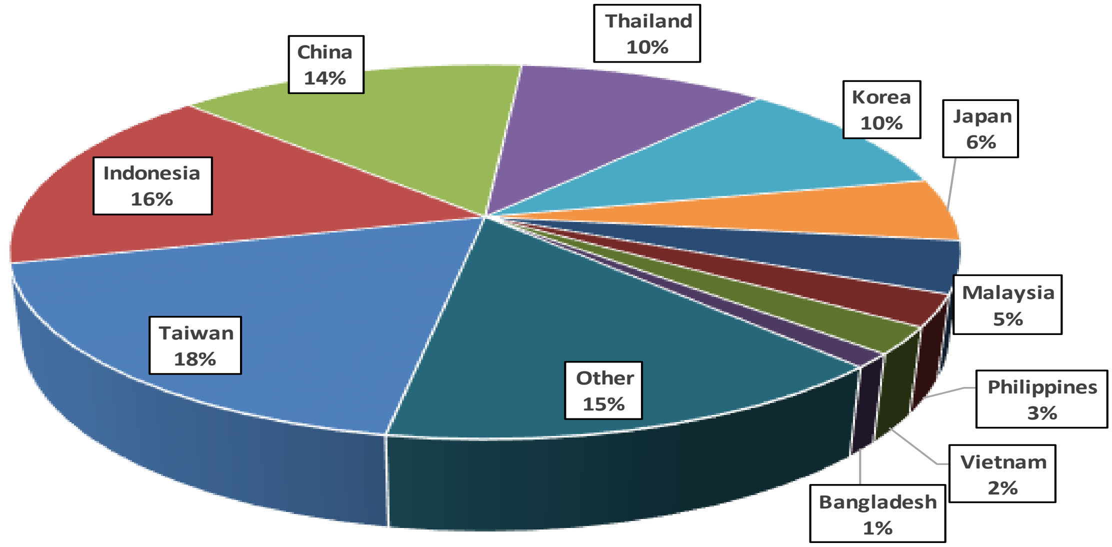
Rates shown are per metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicated; op = option

*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 2015, containers were used to transport 8 percent of total U.S. waterborne grain exports. Approximately 64 percent of U.S. waterborne grain exports in 2015 went to Asia, of which 12 percent were moved in containers. Approximately 94 percent of U.S. waterborne containerized grain exports were destined for Asia.

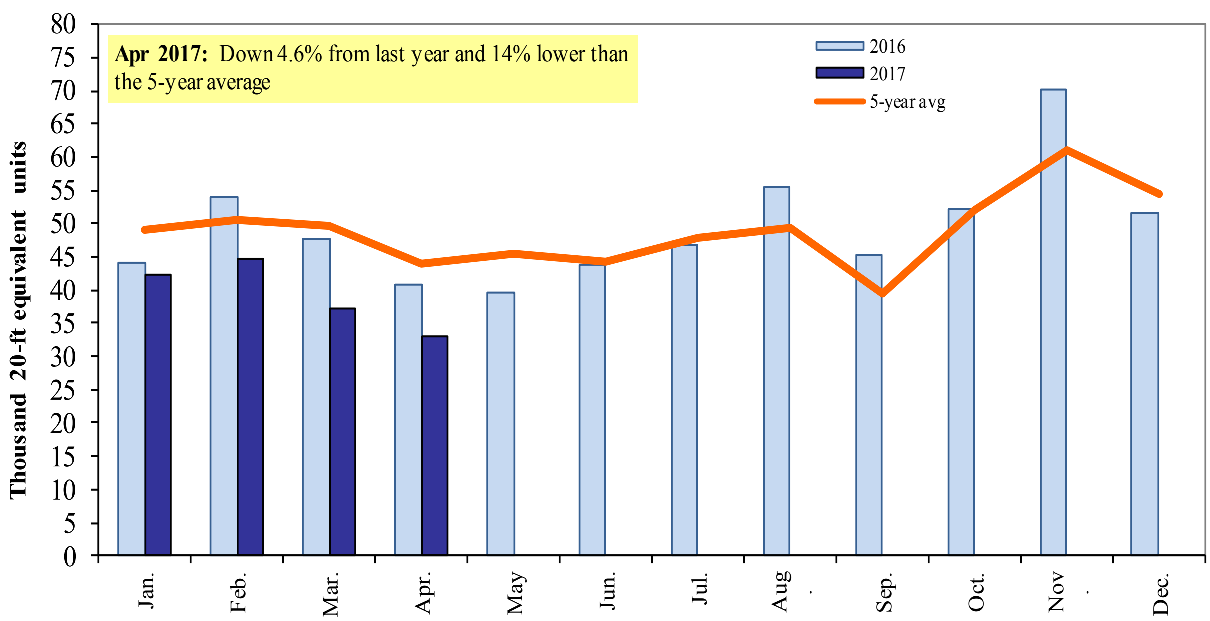
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-April 2017



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

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