



Grain Transportation Report

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

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July 12, 2018

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WEEKLY HIGHLIGHTS

Grain Inspections Down, but Well Above Average

For the week ending July 5, **total inspections of grain** (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.39 million metric tons (mmt), down 13 percent from the previous week, up 17 percent from last year, and 23 percent above the 3-year average. Inspections of each of the three major grains receded. Despite the decrease in total inspections, Pacific Northwest inspections increased 16 percent from week to week. However, Mississippi Gulf inspections decreased 20 percent from the previous week. During the last four weeks, grain inspections remained well above average, increasing 26 percent from last year and up 34 percent above the three-year average. Outstanding export sales were down for corn, wheat, and soybeans.

Bulk Shipping Getting More Expensive, but Grain Rates Remain Relatively Stable

According to a July 9 report by Amrith Ramkumar of the Wall Street Journal, the Baltic Dry Index (BDI)—which measures transportation rates in the bulk business—has surged nearly 50 percent since the end of May. This is in response to a push by companies to move manufacturing materials before levies or any escalating tariffs take effect. The prices for commodities like copper and iron ore have been sliding, largely due to worries that the escalating tariffs will reduce global demand. However, according to a report by O'Neil Commodity Consulting, grain rates have not seen any significant increase since the beginning of the year because the movement in the BDI is not often reflected in the physical rates. Grain rates have fluctuated between 1 to 3 percent since the beginning of the year. The market is still experiencing excess vessel supply, although the gap between vessel supply and demand is shrinking.

Grain Barge Tonnages Up for Week Despite High Water Conditions on Upper Mississippi River

For the week ending July 7, corn barge tonnages on the locking portions of the Mississippi, Ohio, and Arkansas rivers were 771 thousand tons, 25 percent higher than last week. Soybean tonnages were 300 thousand tons, 20 percent higher than last week. The increases occurred despite high water conditions on the Upper Mississippi River. Weekly wheat barge tonnages have been increasing for four weeks, mostly from wheat shipments originating on the Ohio and Arkansas rivers. Ohio River shippers can expect delays, beginning with the week of July 8, when on-going repair work at Locks and Dam 52 will disrupt traffic.

Tentative Labor Agreement Reached at the Port of New York and New Jersey

The International Longshoremen's Association (ILA) and the New York Shipping Association (NYSA) announced they have reached a tentative agreement, on a six-year Local Contract for the Port of New York and New Jersey. The agreement is subject to ratification by ILA members and by the NYSA membership. In June, the ILA and the U.S. Maritime Alliance (USMX) reached a tentative agreement on the Master Contract which applies to nearly all container ports, from Maine to Texas. Local port agreements, such as the one with the Port of New York and New Jersey, are the next step in the process. East Coast ports moved 30 percent of U.S. containerized grain exports in 2017.

Snapshots by Sector

Export Sales

For the week ending June 28, **unshipped balances** of wheat, corn, and soybeans totaled 24.8 mmt, up 20 percent from the same time last year. Net weekly **wheat export sales** were .440 mmt, down 22 percent from the previous week. Net **corn export sales** were .441 mmt, down 48 percent from the previous week. Net **soybean export sales** were .482 mmt, up 35 percent from the previous week.

Rail

U.S. Class I railroads originated 23,433 **grain carloads** for the week ending June 30, down 3 percent from the previous week, unchanged from last year, and up 7 percent from the 3-year average.

Average July shuttle **secondary railcar** bids/offers, per car, were \$375 above tariff for the week ending July 5, down \$79 from last week, and \$627 higher than last year. There were no non-shuttle bids/offers this week.

Barge

For the week ending July 7, **barge grain movements** totaled 1,157,006 tons, 25 percent higher than the previous week and up 45 percent from the same period last year.

For the week ending July 7, 740 grain barges **moved down river**, 152 barges more than the previous week. There were 710 grain barges **unloaded in New Orleans**, 10 percent lower than the previous week.

Ocean

For the week ending July 5, 24 **ocean-going grain vessels** were loaded in the Gulf, 33 percent less than the same period last year. Forty-two vessels are expected to be loaded within the next 10 days, 15 percent less than the same period last year.

For the week ending July 5, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$43.50 per metric ton, 1 percent more than the previous week. The cost of shipping from the PNW to Japan was \$24.75 per metric ton, 1 percent more than the previous week.

Fuel

For the week ending July 9, the U.S. average **diesel fuel price** remained unchanged from the previous week at \$3.24 per gallon, 76 cents higher than the same week last year.

Feature Article/Calendar

Second Quarter Grain Inspections Reach Record High

Second quarter 2018 (calendar year) inspections of wheat, corn, and soybeans for export from all major U.S. ports reached a record 34.7 million metric tons (mmt), according to USDA's Grain Inspection, Packers, and Stockyards Administration (GIPSA). Inspections were up 16 percent from the same period last year and were 51 percent above the 5-year average (*figure 1*). Inspections of grain also reached record levels in the Pacific Northwest and the U.S. Interior. Inspections of corn and soybeans increased from last year. Wheat inspections decreased from the previous year due to lower demand from Africa, Asia, and Latin America, and also due partly to increasing export competition from Russia. During the second quarter, average outstanding export sales of corn and soybeans were notably above last year, but outstanding export sales of wheat were down for the same period. For 2018/19, USDA June export projections for corn are down from the previous marketing year, but up for wheat and soybeans.

Second quarter Pacific Northwest (PNW) grain inspections reached a record 11.8 mmt, up 10 percent from last year and 77 percent above the 5-year average due to robust corn exports to Asia. Despite the increase, however, second quarter PNW rail deliveries of grain to port were down from last year (see [Grain Transportation Report, Table 3](#)). Second quarter U.S. Gulf grain inspections reached 16.9

mmt, up 20 percent from last year and 33 percent above the 5-year average. U.S. Gulf rail deliveries of grain to port were down significantly during the second quarter, but barge movements of grain increased slightly from year to year.

Atlantic-Great Lakes grain inspections jumped 65 percent from last year, to 1.3 mmt, due primarily to increased shipments of corn to North Africa, and soybeans to Asia and Europe.

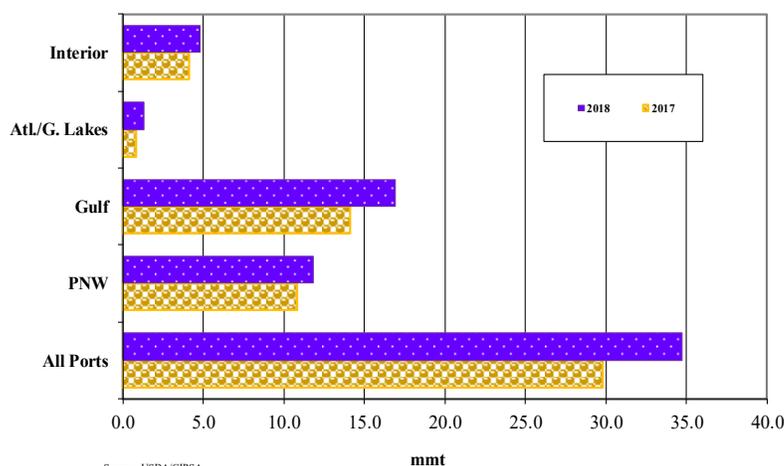
Interior (land-based) inspections reached a record 4.8 mmt, up 17 percent from last year, and 66 percent above the 5-year average. Interior inspections of soybeans reached a record high during the second quarter, accounting for 36 percent of total interior inspections. Second quarter soybean inspections for exports in the Interior were destined primarily to Asia and Latin America. Interior inspections of corn for exports also reached a record, with shipments going primarily to Mexico.

Corn and Soybean Inspections Reach Record

According to GIPSA, total second quarter corn inspections reached 21.2 mmt, up 41 percent from last year (see *figure 2*). Corn inspections were 70 percent above the 5-year average, with increased shipments to Asia and Europe. Second quarter PNW corn inspections reached a record 7.1 mmt, up 51 percent from last year and 150 percent above the 5-year average. U.S. Gulf corn inspections also reached a record high of 11.1 mmt, up 43 percent from last year. Second quarter corn inspections, in the Interior, reached a record 2.7 mmt, up 12 percent from last year. Atlantic-Great Lakes corn inspections jumped 165 percent from last year to .306 mmt.

Total inspections of soybeans for export reached a record 8.1 mmt during the second quarter 2018, up 39 percent from last year, and 141 percent above the 5-year average (see *figure 2*). Increased inspections of soybeans were the result of strong demand from Asia. Inspections of soybeans in the PNW increased 12

Figure 1: Second Quarter Grain Inspections by Port Region



Source: USDA/GIPSA

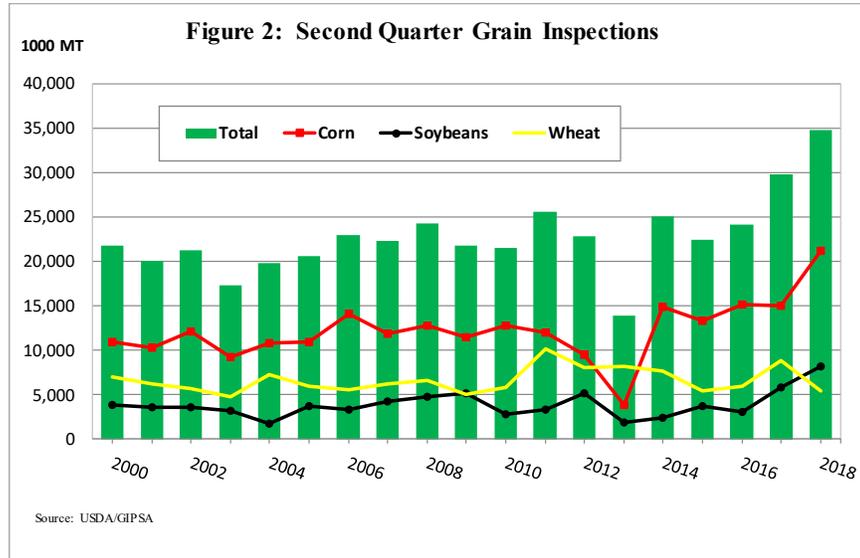
percent from last year. However, second quarter soybean inspections in the Gulf reached a record 4.2 mmt, up 43 percent from last year in the Gulf, and 124 percent above the 5-year average.

Interior (land-based) inspections of soybeans reached a record 1.7 mmt, during the second quarter, up 39 percent, due primarily to increased demand from Asia.

Total second quarter wheat inspections dropped to 5.4 mmt, down 39 percent from last year. Shipments of wheat decreased to Latin America, Asia, and Africa. PNW wheat inspections reached 3 mmt, down 32 percent

from last year and 4 percent below the 5-year average. Second quarter U.S. Gulf wheat inspections, however, reached a record low of 1.6 mmt, down 54 percent from last year. Interior inspections of wheat totaled .359 mmt, which is down 14 percent from last year due to lower shipments to Mexico. Atlantic-Great Lakes wheat inspections reached .225 mmt, down 26 percent from last year.

According to the USDA's *World Agricultural Supply and Demand Estimates* report in June, corn exports for marketing year 2018/19 are projected to reach 53.4 mmt, unchanged from the previous month, and down 9 percent from last year. Soybean export projections are 62.4 mmt, also unchanged from the previous month, but up 11 percent from last year. Export projections for wheat are estimated at 25.9 mmt, up 3 percent from the past month but 6 percent above last year. Johnny.Hill@ams.usda.gov



Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

For the week ending	Truck	Rail	Barge	Ocean		
	Unit	Train		Shuttle	Gulf	Pacific
07/11/18	218	277	231	231	195	176
07/04/18	217	277	235	233	193	174

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

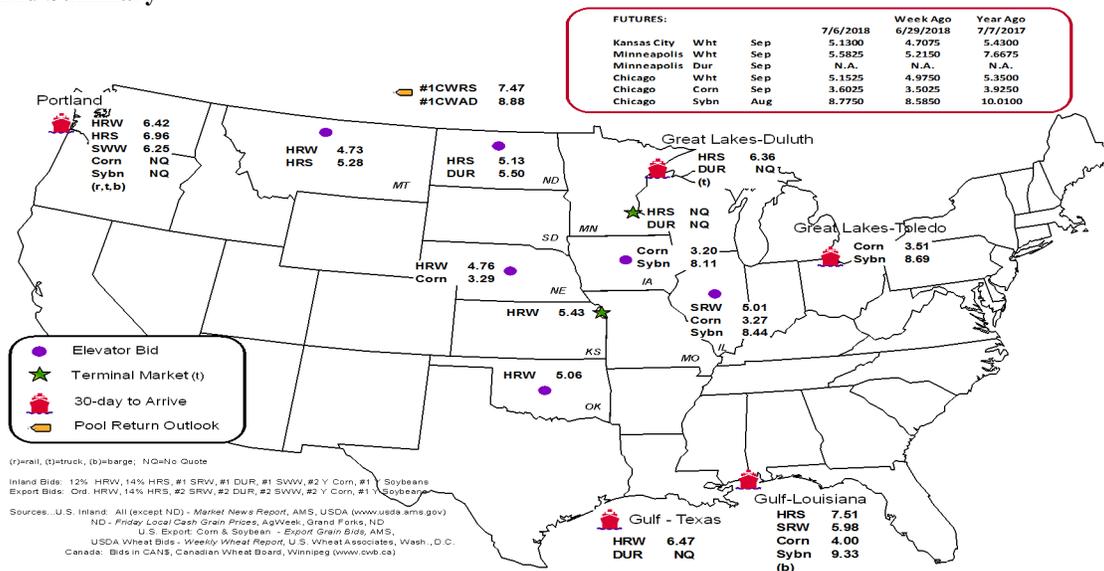
Table 2
Market Update: U.S. Origins to Export Position Price Spreads (\$/bushel)

Commodity	Origin--Destination	7/6/2018	6/29/2018
Corn	IL--Gulf	-0.73	-0.79
Corn	NE--Gulf	-0.71	-0.81
Soybean	IA--Gulf	-1.22	-1.16
HRW	KS--Gulf	-1.04	-1.05
HRS	ND--Portland	-1.83	-1.87

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		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
07/04/2018 ^p	218	357	6,836	468	7,879	6/30/2018	2,215
06/27/2018 ^r	21	472	7,259	328	8,080	6/23/2018	2,617
2018 YTD ^r	10,926	31,865	180,586	11,782	235,159	2018 YTD	59,664
2017 YTD ^r	14,858	49,701	162,258	11,629	238,446	2017 YTD	61,825
2018 YTD as % of 2017 YTD	74	64	111	101	99	% change YTD	97
Last 4 weeks as % of 2017 ²	135	37	131	227	115	Last 4wks % 2017	100
Last 4 weeks as % of 4-year avg. ²	168	45	170	222	146	Last 4wks % 4 yr	119
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.

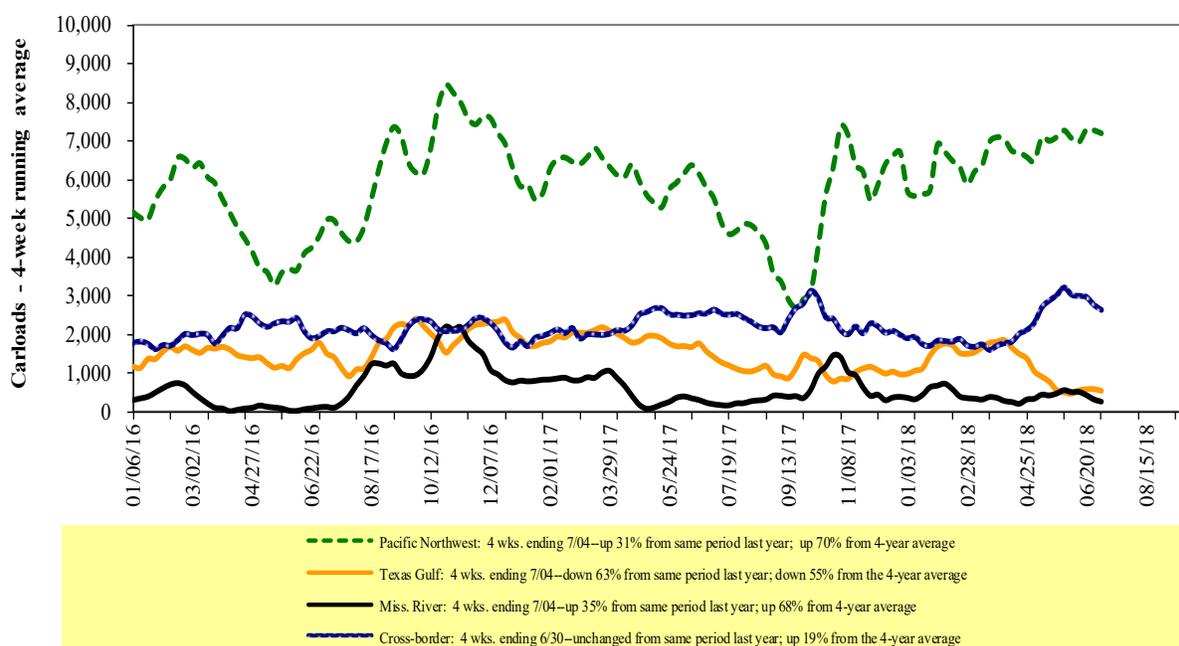
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

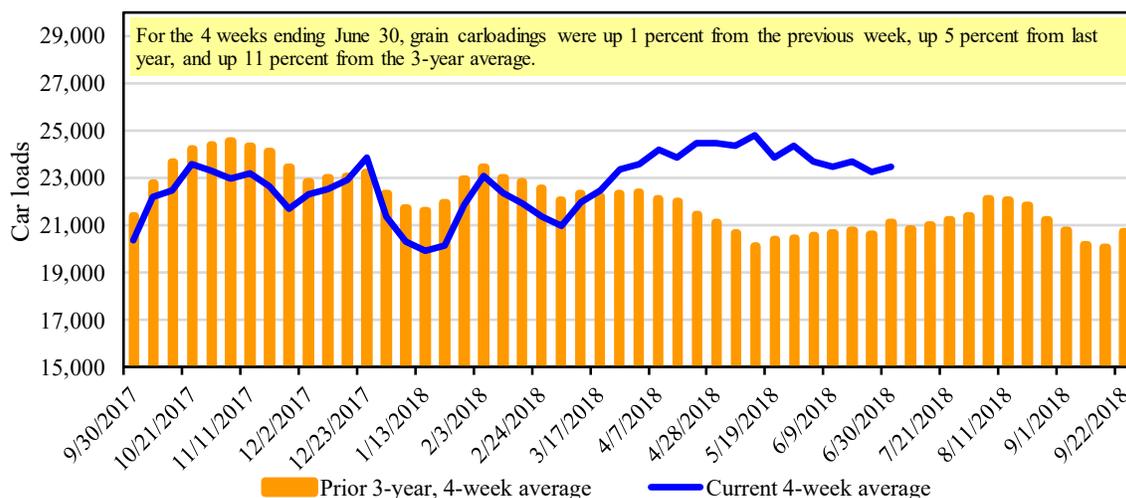
For the week ending: 6/30/2018	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	2,386	2,429	12,223	1,260	5,135	23,433	3,835	4,729
This week last year	1,989	2,725	11,675	1,131	5,905	23,425	3,419	5,423
2018 YTD	50,335	65,255	324,201	25,307	136,820	601,918	97,458	120,567
2017 YTD	46,672	72,567	301,312	25,182	154,558	600,291	99,485	116,575
2018 YTD as % of 2017 YTD	108	90	108	100	89	100	98	103
Last 4 weeks as % of 2017*	110	96	111	108	95	105	106	95
Last 4 weeks as % of 3-yr avg.**	110	91	122	123	100	111	104	105
Total 2017	89,465	142,695	578,964	50,223	289,574	1,150,921	198,582	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 Offerings¹ (\$/car)²

For the week ending: 7/5/2018		Delivery period							
		Jul-18	Jul-17	Aug-18	Aug-17	Sep-18	Sep-17	Oct-18	Oct-17
BNSF ³	COT grain units	no offer	no bids	no offer	no bids	no offer	no bids	68	no bids
	COT grain single-car ⁵	no offer	0	no offer	no bids	no offer	no bids	193	no bids
UP ⁴	GCAS/Region 1	no offer	no bids	no bids	no bids	no bids	no bids	n/a	n/a
	GCAS/Region 2	no offer	no bids	10	no bids	10	no bids	n/a	n/a

¹Auction offerings are for single-car and unit train shipments only.

²Average premium/discount to tariff, last auction

³BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

⁴UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

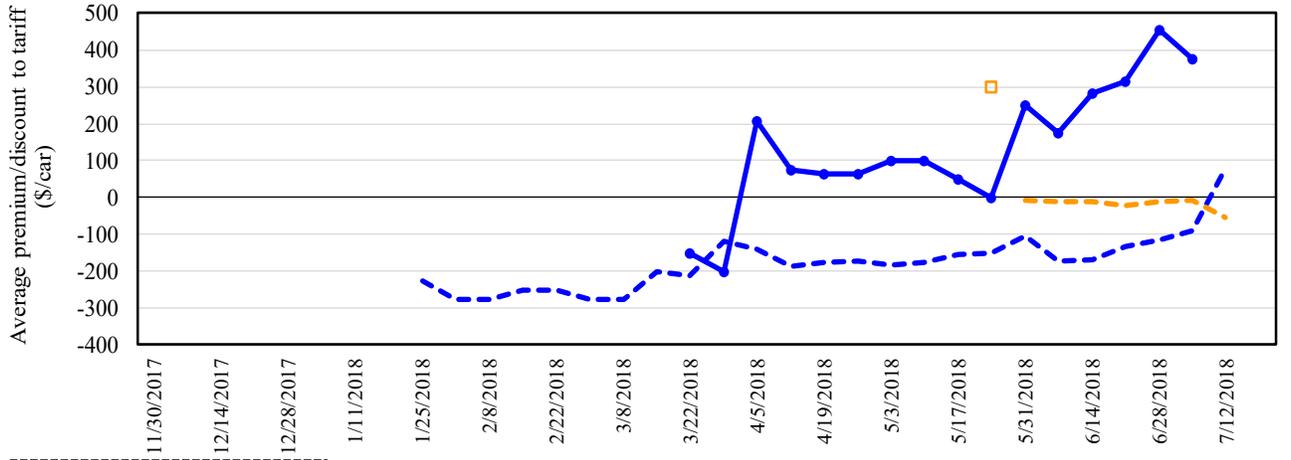
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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

Source: Transportation & Marketing Programs/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 2018, Secondary Market



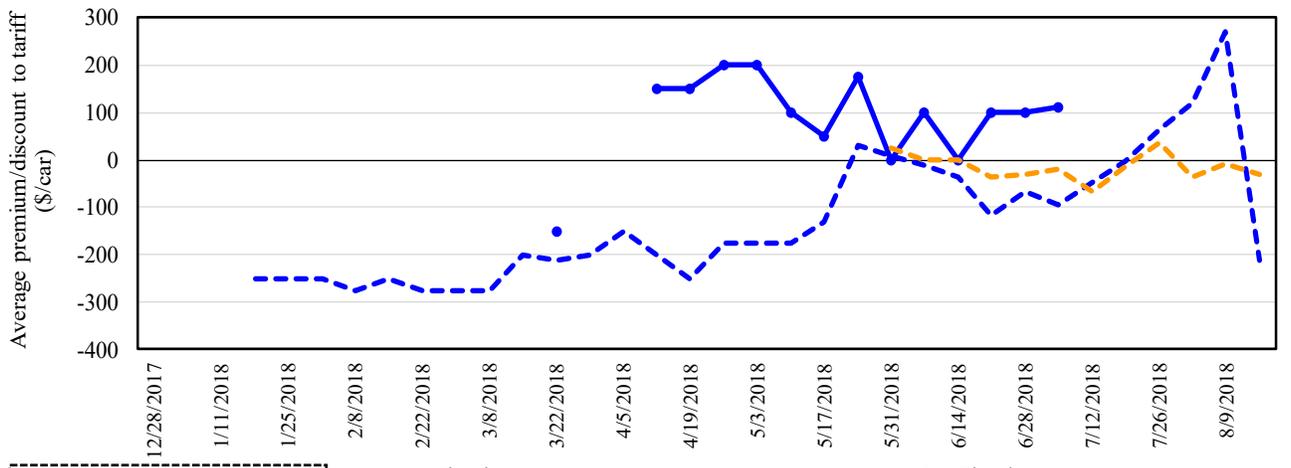
7/5/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	\$350	\$400

—●— Shuttle
- - - Shuttle prior 3-yr avg. (same week)
—□— Non-Shuttle
- - - Non-Shuttle prior 3-yr avg. (same week)

There were no Non-Shuttle bids/offers this week.
 Average Shuttle bids/offers fell \$79 this week and are \$79 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 2018, Secondary Market



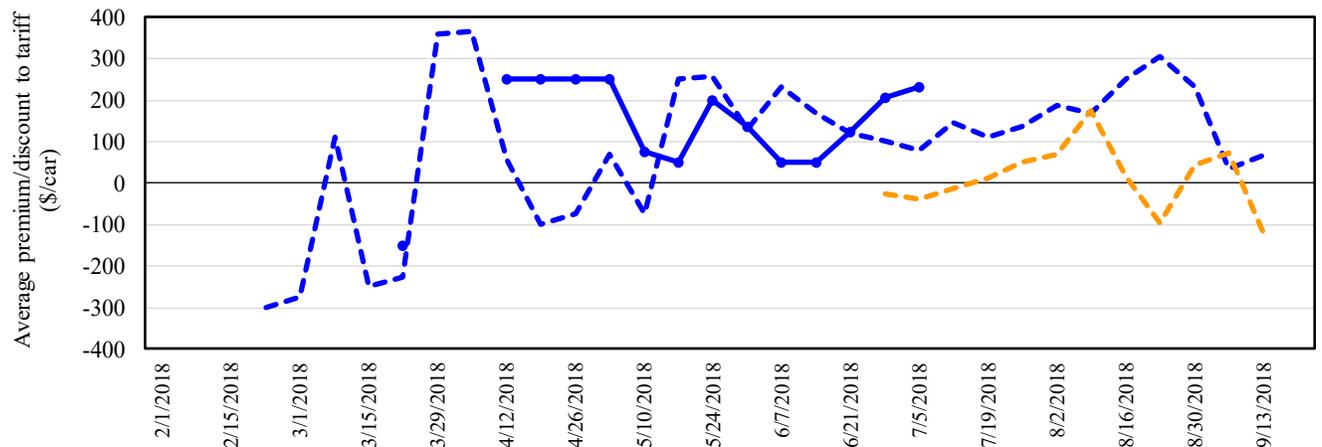
7/5/2018	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	n/a	\$113

—●— Shuttle
- - - Shuttle prior 3-yr avg. (same week)
—□— Non-Shuttle
- - - Non-Shuttle prior 3-yr avg. (same week)

There were no Non-Shuttle bids/offers this week.
 Average Shuttle bids/offers rose \$13 this week and are \$88 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 2018, Secondary Market



7/5/2018	BNSF	UP		
Non-Shuttle	n/a	n/a		
Shuttle	\$238	\$225		

—●— Shuttle
- - - Shuttle prior 3-yr avg. (same week)
—■— Non-Shuttle
- - - Non-Shuttle prior 3-yr avg. (same week)

There were no Non-Shuttle bids/offers this week.
 Average Shuttle bids/offers rose \$23 this week and are \$19 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					
		7/5/2018	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	350	n/a	238	1100	n/a	n/a
	Change from last week	(308)	n/a	(30)	0	n/a	n/a
	Change from same week 2017	633	n/a	71	350	n/a	n/a
	UP-Pool	400	113	225	750	n/a	n/a
	Change from last week	150	13	75	(100)	n/a	n/a
	Change from same week 2017	621	263	225	(50)	n/a	n/a

¹Average 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 Shipments¹

July, 2018	Origin region ³	Destination region ³	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ⁴
					metric ton	bushel ²	
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,983	\$116	\$40.71	\$1.11	4
	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	\$205	\$47.12	\$1.28	2
	Sioux Falls, SD	Galveston-Houston, TX	\$6,911	\$0	\$68.63	\$1.87	2
	Northwest KS	Galveston-Houston, TX	\$4,816	\$224	\$50.05	\$1.36	3
	Amarillo, TX	Los Angeles, CA	\$5,121	\$312	\$53.95	\$1.47	5
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,931	\$231	\$41.33	\$1.05	10
	Toledo, OH	Raleigh, NC	\$6,344	\$0	\$63.00	\$1.60	5
	Des Moines, IA	Davenport, IA	\$2,258	\$49	\$22.91	\$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	\$144	\$37.27	\$0.95	4
	Des Moines, IA	Los Angeles, CA	\$5,327	\$419	\$57.06	\$1.45	7
Soybeans	Minneapolis, MN	New Orleans, LA	\$4,131	\$238	\$43.39	\$1.18	18
	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	\$231	\$49.42	\$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	\$5,912	\$368	\$62.36	\$1.70	5
	Corn	Minneapolis, MN	Portland, OR	\$5,000	\$0	\$49.65	\$1.26
Sioux Falls, SD		Tacoma, WA	\$4,960	\$0	\$49.26	\$1.25	0
Champaign-Urbana, IL		New Orleans, LA	\$3,731	\$231	\$39.35	\$1.00	11
Lincoln, NE		Galveston-Houston, TX	\$3,700	\$0	\$36.74	\$0.93	0
Des Moines, IA		Amarillo, TX	\$3,970	\$181	\$41.22	\$1.05	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	\$267	\$50.07	\$1.36	9
	Toledo, OH	Huntsville, AL	\$4,352	\$0	\$43.22	\$1.18	3
	Grand Island, NE	Portland, OR	\$5,710	\$377	\$60.44	\$1.65	8

¹A 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.

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

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

⁴Percentage 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: July, 2018			Fuel		Tariff plus surcharge per:		Percent
Commodity	Origin state	Destination region	Tariff rate/car ¹	surcharge per car ²	metric ton ³	bushel ³	change ⁴ Y/Y
Wheat	MT	Chihuahua, CI	\$7,459	\$0	\$76.21	\$2.07	0
	OK	Cuautlan, EM	\$6,743	\$160	\$70.54	\$1.92	3
	KS	Guadalajara, JA	\$7,371	\$347	\$78.86	\$2.14	2
	TX	Salinas Victoria, NL	\$4,292	\$98	\$44.86	\$1.22	1
Corn	IA	Guadalajara, JA	\$8,313	\$324	\$88.25	\$2.24	3
	SD	Celaya, GJ	\$7,700	\$0	\$78.68	\$2.00	2
	NE	Queretaro, QA	\$8,013	\$337	\$85.32	\$2.17	4
	SD	Salinas Victoria, NL	\$6,743	\$0	\$68.90	\$1.75	2
	MO	Tlalnepantla, EM	\$7,379	\$329	\$78.76	\$2.00	4
	SD	Torreon, CU	\$7,300	\$0	\$74.59	\$1.89	2
Soybeans	MO	Bojay (Tula), HG	\$8,134	\$301	\$86.19	\$2.34	-5
	NE	Guadalajara, JA	\$8,692	\$331	\$92.18	\$2.51	-2
	IA	El Castillo, JA	\$8,960	\$0	\$91.55	\$2.49	0
	KS	Torreon, CU	\$7,489	\$247	\$79.04	\$2.15	1
Sorghum	NE	Celaya, GJ	\$7,345	\$303	\$78.14	\$1.98	4
	KS	Queretaro, QA	\$7,819	\$200	\$81.94	\$2.08	4
	NE	Salinas Victoria, NL	\$6,452	\$161	\$67.56	\$1.71	5
	NE	Torreon, CU	\$6,790	\$240	\$71.82	\$1.82	4

¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

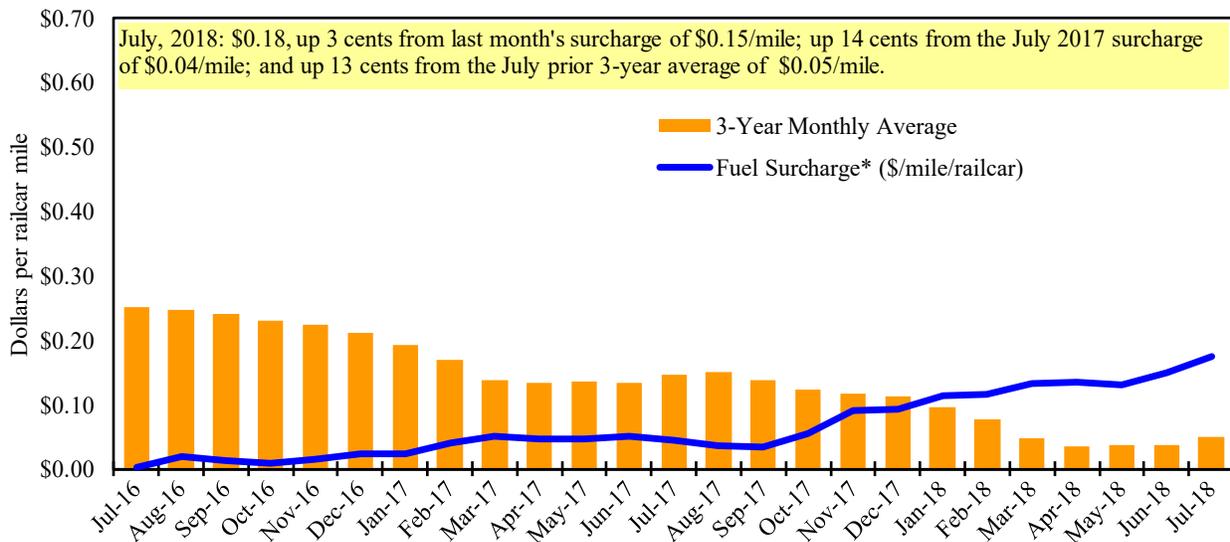
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

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

⁴Percentage change calculated using tariff rate plus fuel surcharge

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

¹ Weighted by each Class I railroad's proportion of grain traffic for the prior year.

* Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

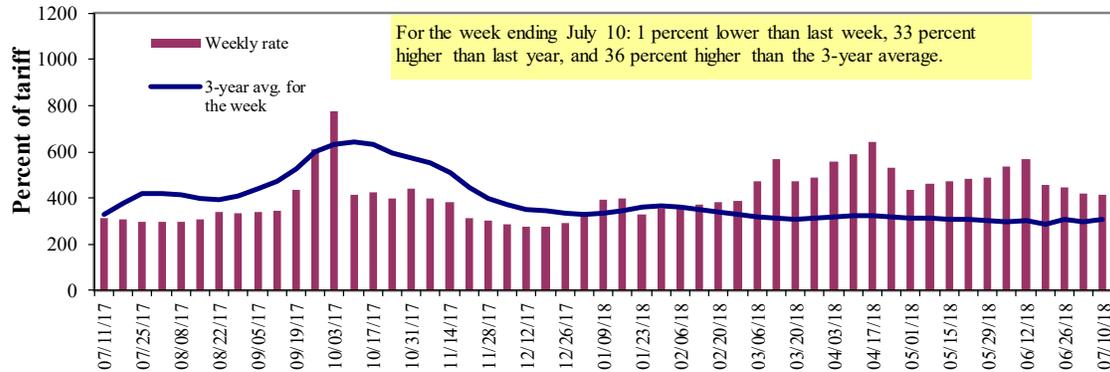
**CSX strike price changed from \$2.00/gal. to \$3.75/gal. starting January 1, 2015.

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}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate ¹	7/10/2018	460	416	416	315	335	335	271
	7/3/2018	465	419	419	319	342	342	269
\$/ton	7/10/2018	28.47	22.13	19.30	12.57	15.71	13.53	8.51
	7/3/2018	28.78	22.29	19.44	12.73	16.04	13.82	8.45
Current week % change from the same week:								
	Last year	25	33	33	48	55	55	48
	3-year avg. ²	3	8	36	17	21	21	20
Rate ¹	August	488	418	418	313	363	363	294
	October	575	538	533	428	532	532	406

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9 Benchmark tariff rates

Calculating barge rate per ton:

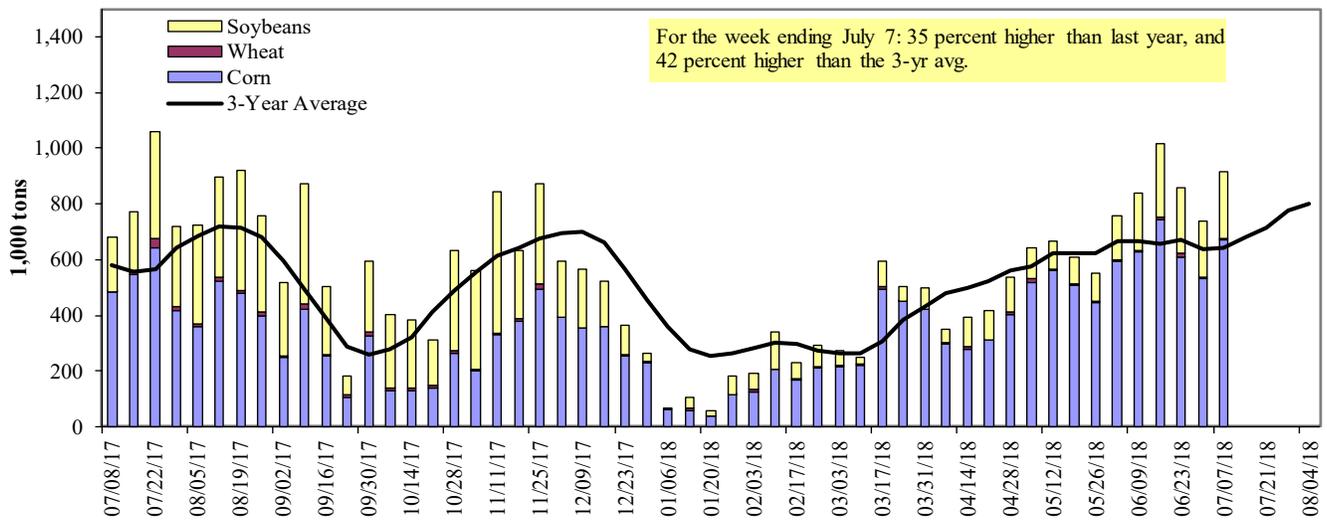
$(\text{Rate} * 1976 \text{ tariff benchmark rate per ton}) / 100$

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



Figure 10

Barge Movements on the Mississippi River¹ (Locks 27 - Granite City, IL)



¹ The 3-year average is a 4-week moving average.

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

For the week ending 07/07/2018	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	196	0	105	0	301
Winfield, MO (L25)	446	0	177	0	622
Alton, IL (L26)	625	3	234	0	862
Granite City, IL (L27)	673	3	238	0	915
Illinois River (L8)	192	3	69	0	264
Ohio River (L52)	98	48	55	0	201
Arkansas River (L1)	0	35	7	0	42
Weekly total - 2018	771	86	300	0	1,157
Weekly total - 2017	514	43	237	2	796
2018 YTD ¹	12,593	899	5,990	66	19,548
2017 YTD	13,121	1,186	6,313	159	20,779
2018 as % of 2017 YTD	96	76	95	42	94
Last 4 weeks as % of 2017 ²	151	96	128	45	140
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.

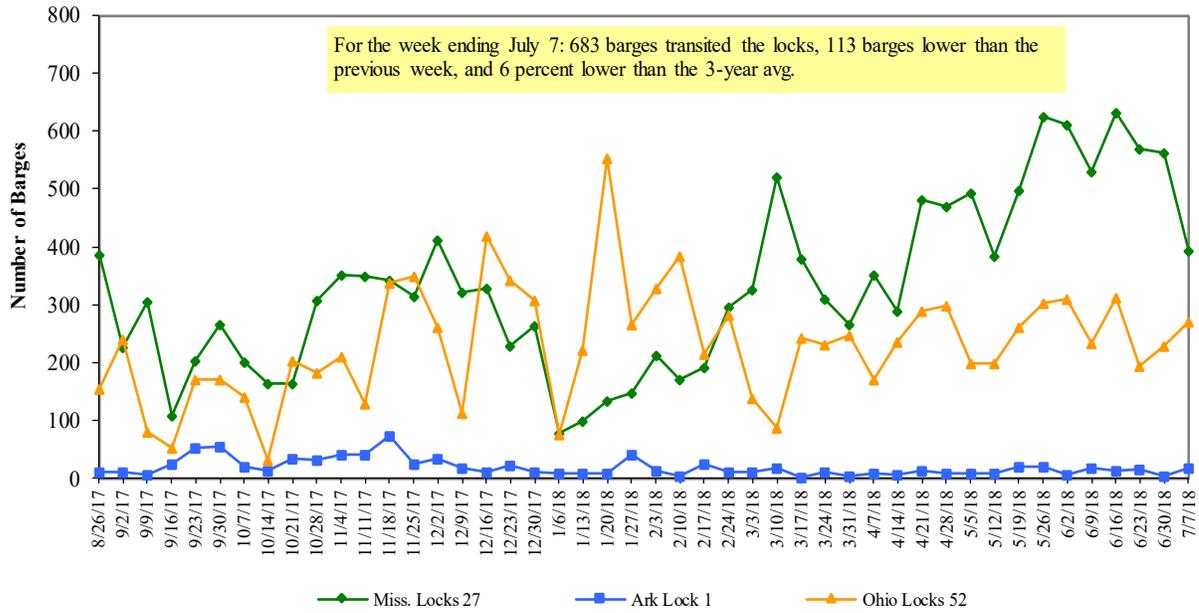
² As a percent of same period in 2017.

Note: Total may not add exactly, due to rounding.

Source: U.S. Army Corps of Engineers

Figure 11

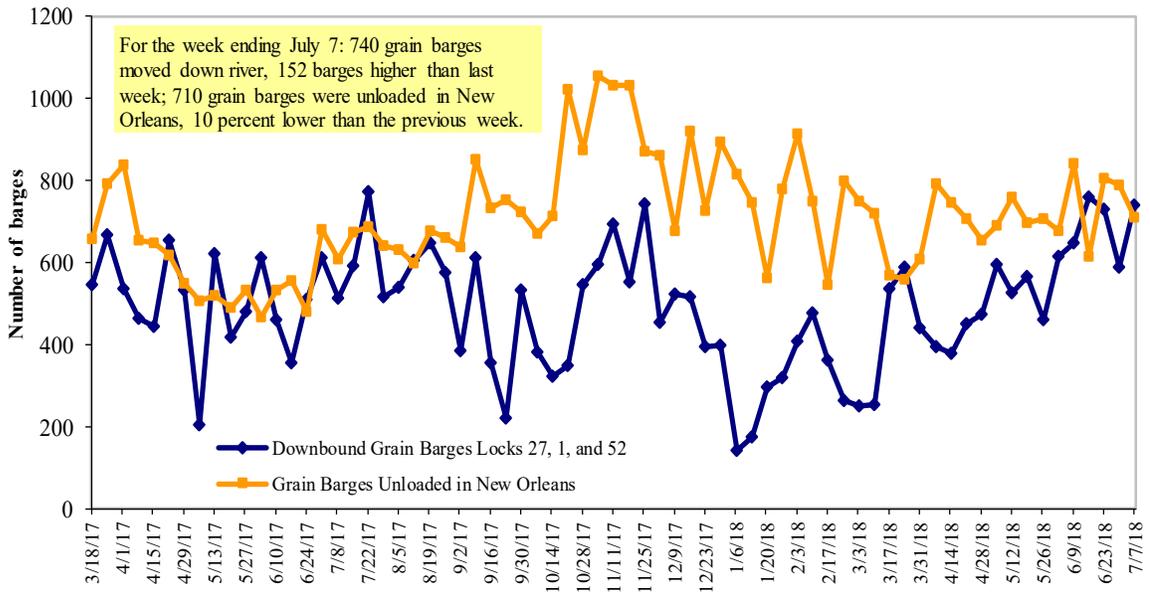
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 7/9/2018 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.238	0.012	0.715
	New England	3.279	-0.003	0.701
	Central Atlantic	3.405	0.015	0.733
	Lower Atlantic	3.112	0.010	0.705
II	Midwest ²	3.176	0.005	0.755
III	Gulf Coast ³	3.004	0.002	0.693
IV	Rocky Mountain	3.370	0.012	0.786
V	West Coast	3.749	0.003	0.978
	West Coast less California	3.471	-0.004	0.818
	California	3.970	0.010	1.103
Total	U.S.	3.243	0.007	0.762

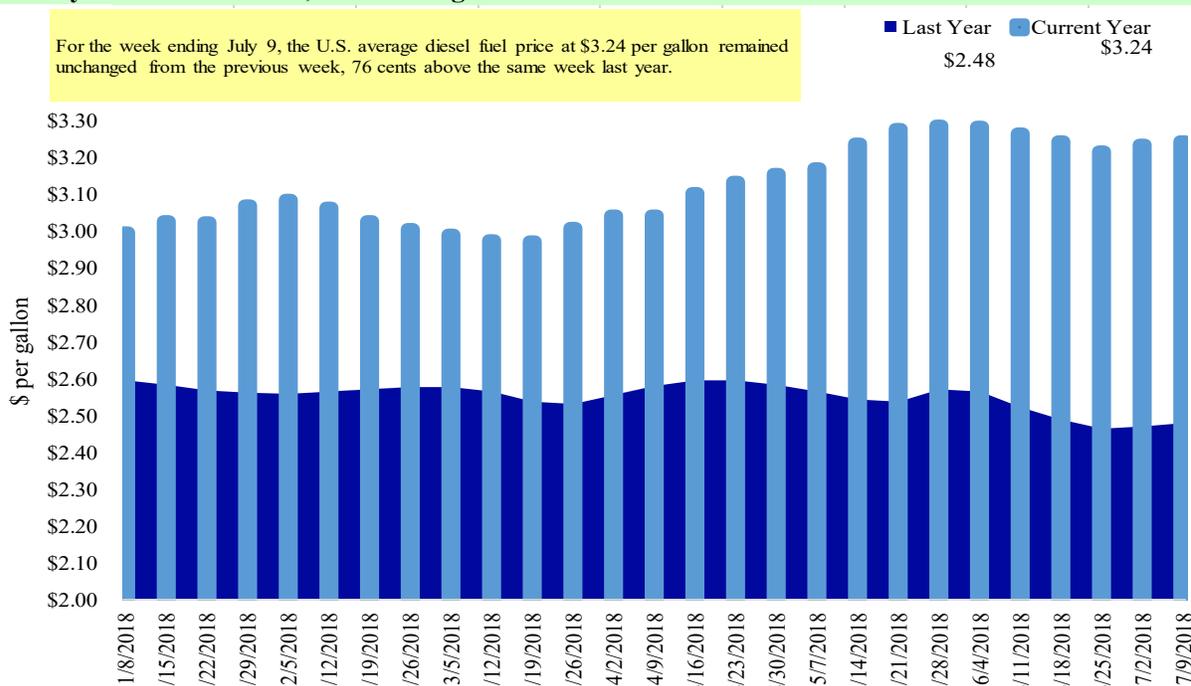
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

For the week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
6/28/2018	1,117	546	1,489	1,234	126	4,511	12,527	7,740	24,778
This week year ago	1,811	722	1,519	1,464	149	5,664	8,191	6,843	20,698
Cumulative exports-marketing year²									
2017/18 YTD	351	201	442	484	3	1,481	45,166	49,552	96,199
2016/17 YTD	1,081	171	783	640	54	2,728	47,411	52,884	103,023
YTD 2017/18 as % of 2016/17	33	117	56	76	5	54	95	94	93
Last 4 wks as % of same period 2016/17	56	72	97	84	76	77	171	121	129
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

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

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

Table 13

Top 5 Importers¹ of U.S. Corn

For the week ending 6/28/2018	Total Commitments ²			% change current MY from last MY	Exports ³ 3-year avg 2014-2016
	2018/19	2017/18	2016/17		
	Next MY	Current MY	Last MY		
	- 1,000 mt -				
Mexico	1,814	14,563	13,377	9	12,297
Japan	161	11,004	11,387	(3)	11,450
Korea	391	5,296	5,630	(6)	4,494
Colombia	15	4,437	4,187	6	4,179
Peru	25	3,065	2,929	5	2,693
Top 5 Importers	2,406	38,365	37,510	2	35,113
Total US corn export sales	4,520	57,693	55,603	4	49,308
% of Projected	8%	99%	95%		
Change from prior week²	868	441	140		
Top 5 importers' share of U.S. corn export sales	53%	66%	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 Importers¹ of U.S. Soybeans

For the week ending 6/28/2018	Total Commitments ²			% change current MY from last MY	Exports ³ 3-yr avg. 2014-2016
	2018/19 Next MY	2017/18 Current MY	2016/17 Last MY		
	- 1,000 mt -				- 1,000 mt -
China	1,392	28,126	36,023	(22)	31,881
Mexico	985	4,295	3,687	16	3,452
Indonesia	90	2,366	2,179	9	1,987
Japan	161	2,251	2,136	5	2,067
Netherlands	0	2,098	1,718	22	2,098
Top 5 importers	2,628	39,135	45,743	(14)	41,486
Total US soybean export sales	7,982	57,292	59,727	(4)	52,919
% of Projected	13%	102%	101%		
Change from prior week ²	459	482	366		
Top 5 importers' share of U.S. soybean export sales	33%	68%	77%		78%
USDA forecast, June 2018	62,398	56,267	59,237	95	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2016/17 - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/. The total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales and/or accumulated sales³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

For the week ending 6/28/2018	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2014-2016
	2018/19 Current MY	2017/18 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	821	743	11	2,620
Mexico	571	1,237	(54)	2,743
Philippines	726	838	(13)	2,395
Brazil	93	93	0	862
Nigeria	143	395	(64)	1,254
Korea	581	677	(14)	1,104
China	0	391	(100)	1,623
Taiwan	279	302	(8)	768
Indonesia	109	320	(66)	726
Colombia	65	170	(61)	635
Top 10 importers	3,388	5,165	(34)	14,729
Total US wheat export sales	5,992	8,393	(29)	22,804
% of Projected	23%	34%		
Change from prior week ²	440	375		
Top 10 importers' share of U.S. wheat export sales	57%	62%		65%
USDA forecast, June 2018	25,886	24,523	6	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2016/17 - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative 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

³FAS 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 07/05/18	Previous Week*	Current Week as % of Previous	2018 YTD*	2017 YTD*	2018 YTD as % of 2017 YTD	Last 4-weeks as % of:		2017 Total*
							Last Year	Prior 3-yr. avg.	
Pacific Northwest									
Wheat	208	247	84	6,347	8,171	78	79	105	14,805
Corn	612	461	133	11,970	8,413	142	214	192	10,928
Soybeans	148	130	114	5,314	4,600	116	225	614	13,246
Total	969	838	116	23,630	21,185	112	147	170	38,978
Mississippi Gulf									
Wheat	52	73	72	2,151	2,594	83	67	67	4,198
Corn	684	804	85	18,492	18,455	100	131	118	28,690
Soybeans	377	512	74	12,084	12,023	101	192	201	32,911
Total	1,113	1,389	80	32,726	33,072	99	139	131	65,800
Texas Gulf									
Wheat	1	8	14	1,899	3,973	48	11	15	6,354
Corn	30	0	n/a	406	407	100	99	43	733
Soybeans	0	0	n/a	67	0	n/a	n/a	n/a	292
Total	32	9	367	2,372	4,379	54	21	26	7,379
Interior									
Wheat	12	13	93	769	947	81	47	55	1,727
Corn	91	227	40	4,468	4,490	100	87	114	8,758
Soybeans	105	159	66	3,402	2,648	128	145	168	5,508
Total	208	399	52	8,639	8,085	107	98	123	15,993
Great Lakes									
Wheat	7	0	n/a	263	345	76	24	24	711
Corn	3	19	17	236	115	206	256	178	192
Soybeans	0	31	0	227	141	161	334	n/a	890
Total	11	50	21	726	601	121	141	151	1,793
Atlantic									
Wheat	1	0	n/a	65	37	175	n/a	3	46
Corn	0	0	n/a	67	5	n/a	n/a	0	32
Soybeans	59	61	96	1,204	890	135	991	638	2,001
Total	60	61	98	1,336	931	143	996	282	2,079
U.S. total from ports*									
Wheat	282	342	83	11,493	16,068	72	54	67	27,841
Corn	1,421	1,511	94	35,639	31,884	112	143	135	49,333
Soybeans	689	894	77	22,297	20,302	110	206	245	54,847
Total	2,393	2,747	87	69,429	68,254	102	126	134	132,021

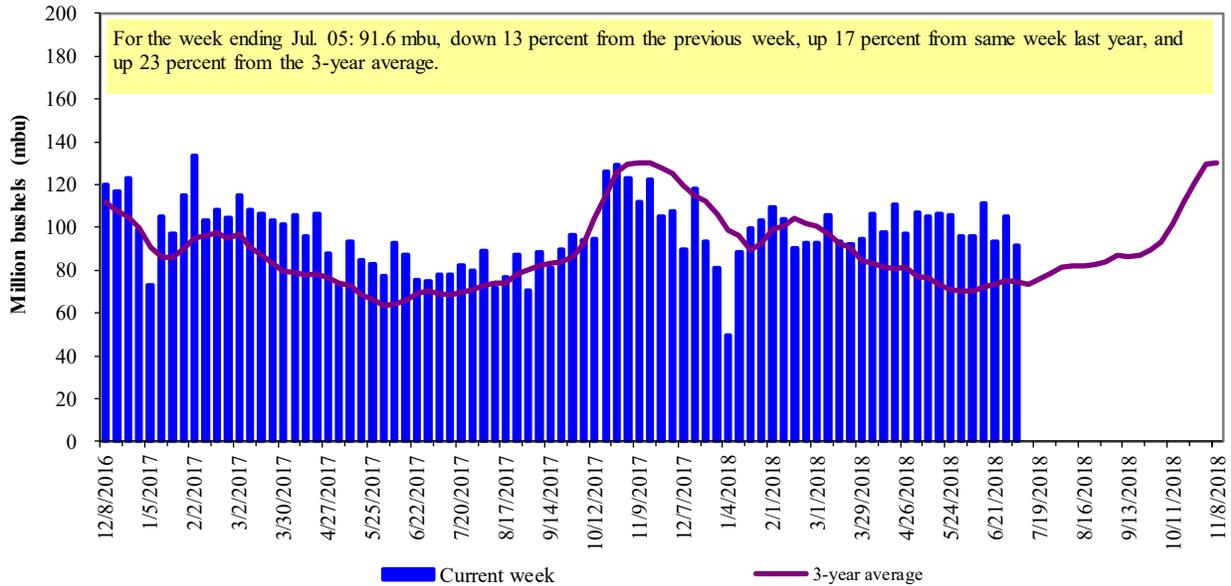
*Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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

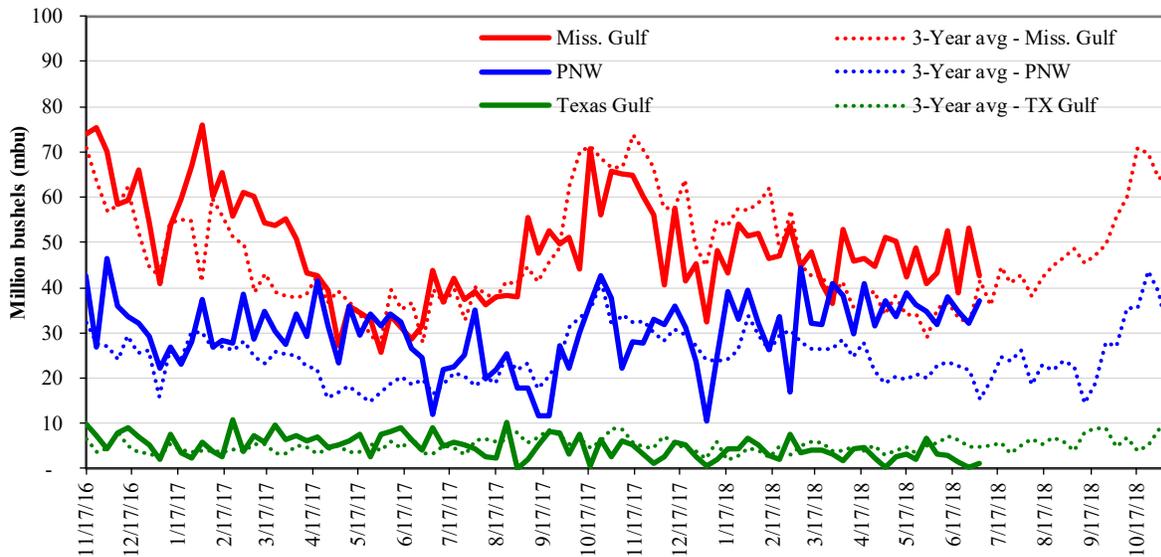
U.S. grain inspected for export (wheat, corn, and soybeans)



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 PNW¹ (wheat, corn, and soybeans)



Week ending	07/05/18 inspections (mbu):	Percent change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Mississippi Gulf:	42.7	Last Week:	down 20	up 291	down 18	up 16
PNW:	37.2	Last Year (same week):	down 3	down 86	down 17	up 213
Texas Gulf:	1.2	3-yr avg. (4-wk. mov. Avg):	up 19	down 78	up 5	up 78

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

Ocean Transportation

Table 17

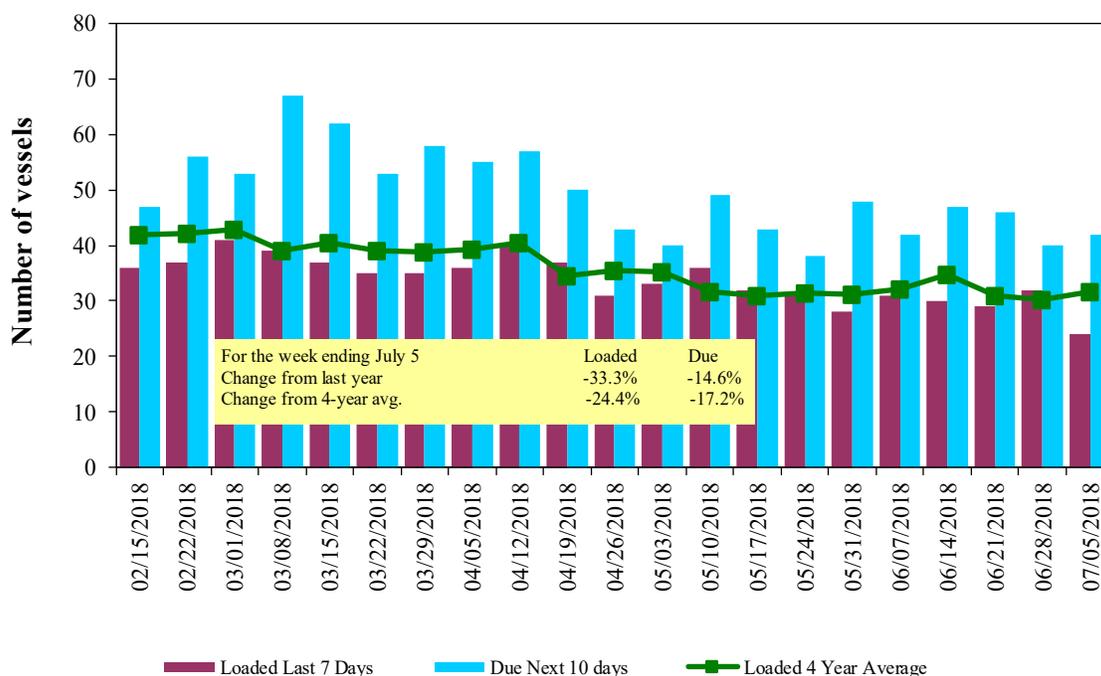
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest
	In port	Loaded 7-days	Due next 10-days	In port
7/5/2018	33	24	42	15
6/28/2018	33	32	40	17
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

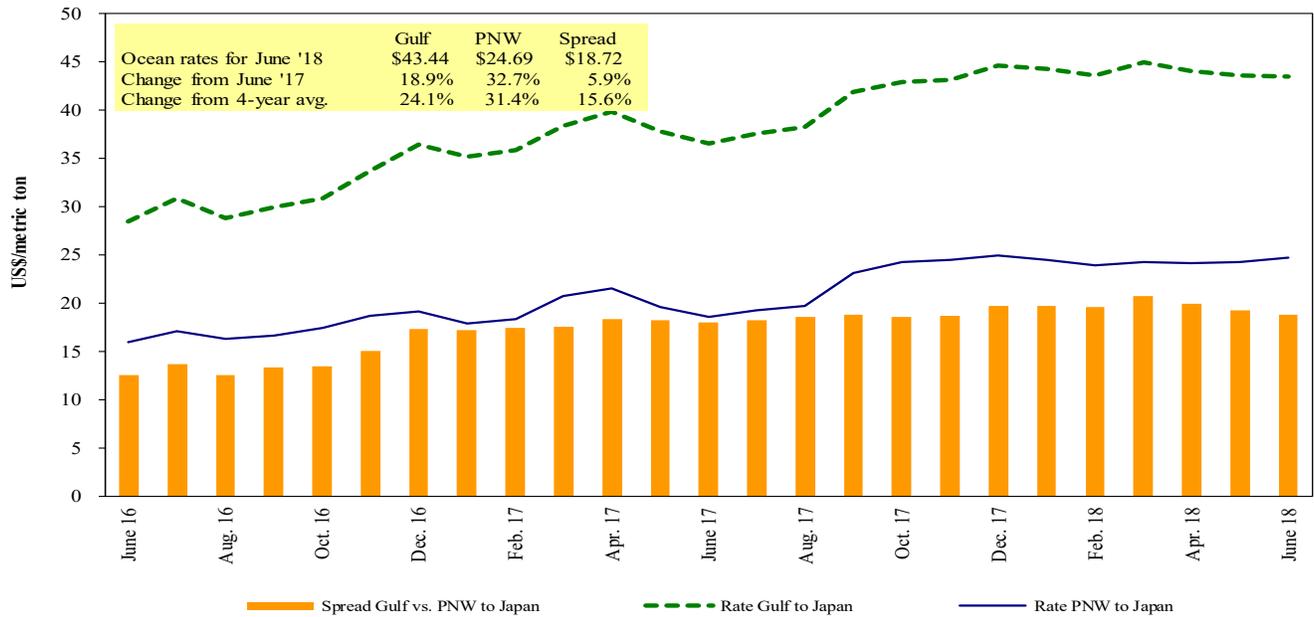


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 07/07/2018

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Egypt	Heavy Grain	Jun 26/30	60,000	27.75
U.S. Gulf	Rotterdam	Heavy Grain	Jun 25/30	65,000	23.00
U.S. Gulf	Djibouti	Sorghum	Apr 16/26	18,200	69.87*
PNW	Bangladesh	Wheat	Apr 6/16	43,500	63.35*
Brazil	China	Heavy Grain	Jul 18/28	60,000	36.00
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

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

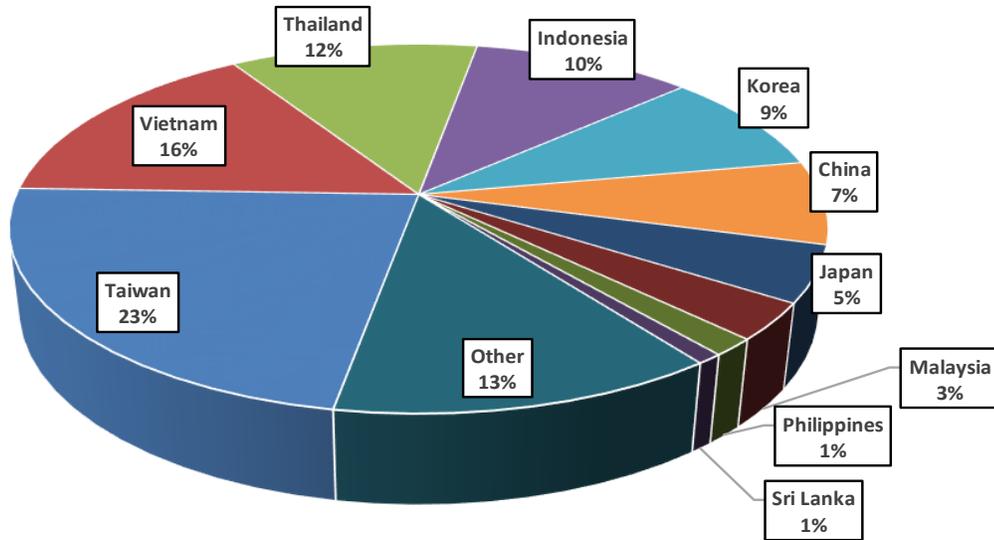
* 50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

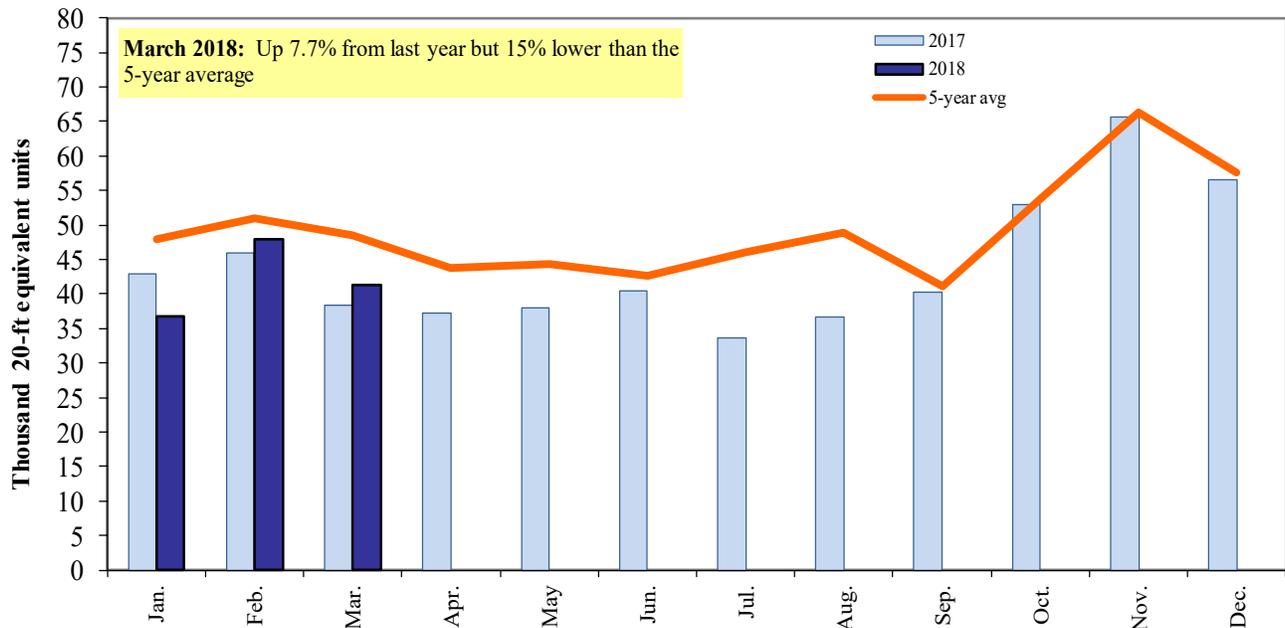


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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