



Grain Transportation Report

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

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WEEKLY HIGHLIGHTS

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Grain Truck/Ocean
Rate Advisory

Datasets

Specialists

Subscription
Information

The next
release is
July 27, 2017

Total Grain Inspections Down Despite Increases for Corn and Wheat ...

For the week ending July 13, **total inspections of grain** (corn, wheat, and soybeans) for export from major U.S. export regions reached 2 million metric tons (mmt), down 3 percent from the previous week, down 9 percent from the same time last year, but 11 percent above the 3-year average. The decrease was driven by a 40 percent drop in week-to-week inspections of soybeans. Inspections also decreased despite a 10 percent increase in corn and an 8 percent increase in wheat inspections. Pacific Northwest (PNW) grain inspections increased 86 percent from the past week as shipments to Asia rebounded, but the increase could not offset the decrease in total grain inspected from all ports. Mississippi Gulf grain inspections decreased 18 percent from the previous week. Outstanding export sales were down from the previous week for corn, wheat, and soybeans.

... but Cumulative Export Sales Remain High for Grain

With about 8 weeks to go in the 2016/17 marketing year, cumulative (shipped) export sales of corn and soybeans are up 32 and 20 percent, respectively, year to date (**Table 12**). Cumulative export sales of wheat are up 30 percent from the previous marketing year. Previous USDA projections for total exports of soybeans are achievable if the pace continues for the rest of the year due to steady outstanding export sales, which have averaged 6.8 mmt during the last 4 weeks, about the same as this time last year. Exports of corn, however could fall below export projections due to slower outstanding export sales, which are down 24 percent from the same 4 weeks last year.

House Agriculture Committee Examines "State of Infrastructure in Rural America"

On July 19, the [House Committee on Agriculture](#) held a public hearing on the state of infrastructure in rural America, covering topics such as rural broadband, water, energy, agricultural research facilities, and transportation. Written testimony on behalf of the Farm Credit System noted, "Highways, bridges, railways, locks and dams, harbors and port facilities all need major investment if we are to continue efficiently moving U.S. agricultural products to domestic and global markets. For example, one-quarter of our road system's bridges require significant repair, or cannot efficiently handle today's traffic and many of the 240 locks and dams along the inland waterways are in need of modernization." In addition, testimony from the National Grain and Feed Association highlighted the increasing challenge for U.S. agricultural exports to remain competitive; supported increased federal investment in locks, dams, and ports; and proposed the idea of a system of block grants as a possible means of addressing the Nation's deteriorating roads and bridges.

Snapshots by Sector

Export Sales

For the week ending July 6, **unshipped balances** of wheat, corn, and soybeans totaled 19.7 mmt, down 20 percent from the same time last year. Net weekly **wheat export sales** were .358 mmt, down 5 percent from the previous week. Net **corn export sales** were .161 mmt, up 15 percent from the previous week, and net **soybean export sales** were .228 mmt, down 38 percent from the past week.

Rail

U.S. Class I railroads originated 18,062 **grain carloads** for the week ending July 8, down 23 percent from the previous week, down 13 percent from last year, and down 6 percent from the 3-year average.

Average July shuttle **secondary railcar** bids/offers per car were \$150 below tariff for the week ending July 13, up \$102 from last week, and \$588 lower than last year. Average non-shuttle secondary railcar bids/offers per car were \$88 below tariff, down \$88 from last week, and \$113 lower than last year.

Barge

For the week ending July 15, **barge grain movements** totaled 920,438 tons, 16 percent higher than the last week, and down 15 percent from the same period last year.

For the week ending July 15, 593 grain barges **moved down river**, up 15 percent from last week, 674 grain barges were **unloaded in New Orleans**, up 10 percent from the previous week.

Ocean

For the week ending July 13, 35 **ocean-going grain vessels** were loaded in the Gulf, 15 percent less than the same period last year. Fifty-six vessels are expected to be loaded within the next 10 days, 21 percent less than the same period last year.

For the week ending July 13, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$37.50 per metric ton, 1 percent more than the previous week. The cost of shipping from the PNW to Japan was \$19.25 per metric ton, 1 percent more than the previous week.

Fuel

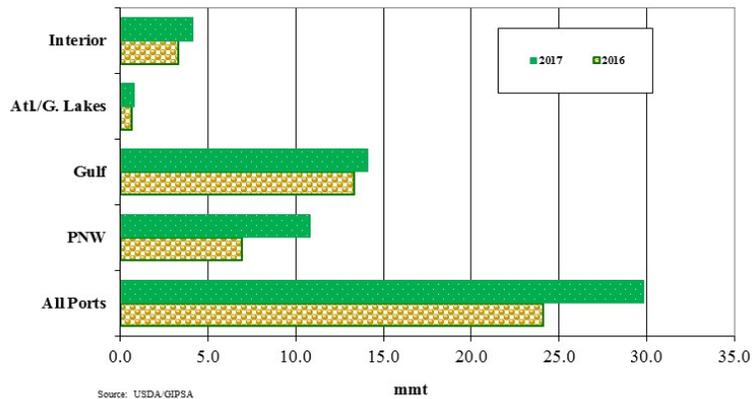
During the week ending July 17, **average diesel fuel prices** increased 1 cent from the previous week to \$2.49 per gallon, 9 cents higher than the same week last year.

Feature Article/Calendar

Second Quarter Grain Inspections Reach Record High

In 2017, total second quarter inspections of grain (wheat, corn, and soybeans) for export from all major U.S. ports reached a record 29.8 million metric tons (mmt), according to USDA's Grain Inspection, Packers, and Stockyards Administration (GIPSA). This amount is up 23 percent from the same period last year and 37 percent above the 5-year average (*figure 1*). Inspections of soybeans and wheat increased from last year, but corn inspections remained unchanged. During the second quarter, outstanding export sales of soybeans and wheat were well above the same time last year. For the same period, outstanding export sales of corn were down from the same time last year. For 2017/18, USDA's export projections in the July World Agricultural Supply and Demand Estimates (WASDE) report are down from the previous marketing year for corn and wheat, but up for soybeans.

Figure 1: Second quarter grain inspections by port regions



Second quarter grain inspections increased 57 percent in the Pacific Northwest (PNW) (*see figure 1*), also reflecting a 43 percent jump in PNW rail deliveries to port (*see GTR figure 2*). U.S. Gulf grain inspections increased 6 percent during the second quarter, and Atlantic- Great Lakes inspections increased 27 percent from last year, due primarily to more soybean inspections.

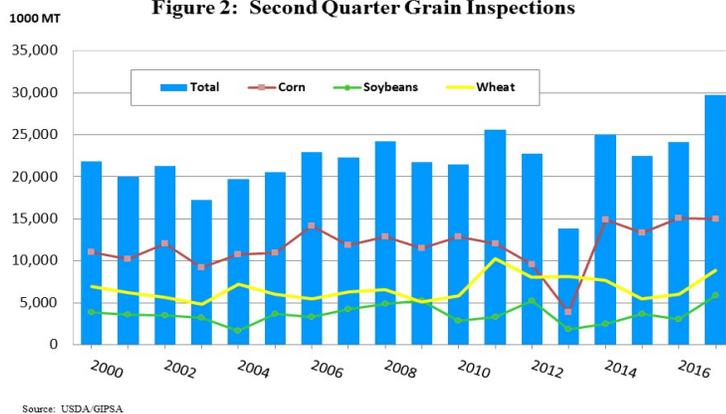
Interior (land-based) inspections increased 22 percent from last year, and were 48 percent above the 5-year average. Interior inspections of corn and soybeans reached record levels. Corn inspections in the Interior increased to Latin America and Asia, and soybean inspections destined to Asia increased.

Soybean and Wheat Inspections Up

According to GIPSA, total soybean inspections for all regions reached a record 5.9 mmt during the second quarter, up 96 percent from last year, and 81 percent above the 5-year average (*see figure 2*). Inspections of soybeans increased, due to very strong demand from Asia. According to USDA's Economic Research Service, soybean export competition from South America was not as high as expected during the quarter, therefore, helping the demand for U.S. soybeans. Likewise, as demand from Asia rebounded, inspections of soybeans jumped significantly in the PNW to 1.3 mmt; the highest since 2012. Second quarter soybean inspections increased 58 percent from last year in the Gulf, at 2.9 mmt; the third highest on record. Interior (land-based) inspections of soybeans reached a record 1.2 mmt during the second quarter, due primarily to increased demand from Asia.

Total second quarter wheat inspections reached 9 mmt, up 48 percent from last year, the highest since 2011. PNW wheat inspections reached a record 4.8 mmt, up 46 percent from last year, and 52 percent above the 5-year average. U.S. Gulf wheat inspections totaled 3.4 mmt, up 64 percent from last year, due mainly to increased demand from Africa. Interior inspections of wheat reached a record .419 mmt as

Figure 2: Second Quarter Grain Inspections



shipments to Mexico rebounded. Atlantic/Great Lakes wheat inspections reached .303 mmt, down 11 percent from last year.

According to GIPSA, total inspections of corn for all port regions during the second quarter reached 15 mmt, mostly unchanged from last year (*see figure 2*). Corn inspections, however, were 32 percent above the 5-year average, with increased shipments to Asia and Europe. Second quarter PNW corn inspections reached a record 4.7 mmt, up 33 percent from last year, and 97 percent above the 5-year average. U.S. Gulf corn inspections reached 7.8 mmt, down 17 percent from last year. Corn inspections in the Interior were up 17 percent from last year while at the same time, Atlantic- Great Lakes corn inspections decreased 20 percent.

According to the July USDA [WASDE report](#), corn exports for 2017/18 are projected to reach 47.7 mmt, unchanged from the June projection. Soybean export projections in July are 58.6 mmt, unchanged from the previous month. Wheat export projections in July are down 2 percent from the previous month, at 26.6 mmt. Export projections in July are down 15 percent from last year for corn and 8 percent for wheat, but up 3 percent for soybeans. Cumulative (shipped) export sales ([GTR Table 12](#)) are up for corn, wheat, and soybeans. 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
07/19/17	167	260	204	171	137
07/12/17	167	265	199	173	135

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)

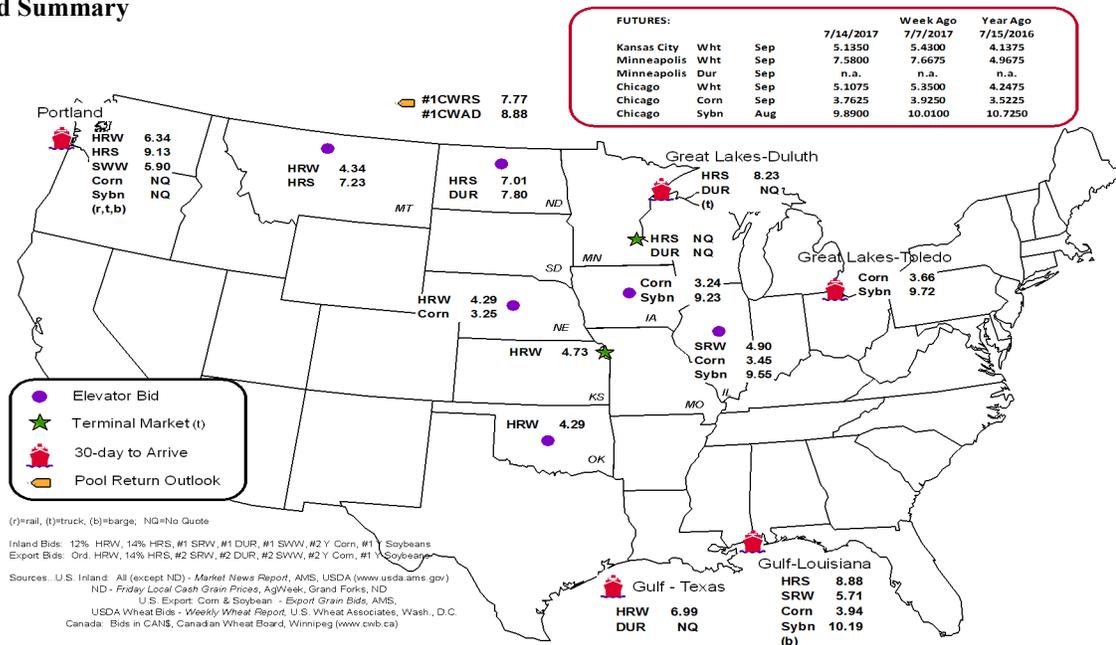
Commodity	Origin--Destination	7/14/2017	7/7/2017
Corn	IL--Gulf	-0.49	-0.51
Corn	NE--Gulf	-0.69	-0.71
Soybean	IA--Gulf	-0.96	-0.97
HRW	KS--Gulf	-2.26	-2.38
HRS	ND--Portland	-2.12	-2.03

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
	Gulf	Texas Gulf	Northwest	East Gulf			Mexico ³
07/12/2017 ^p	132	770	3,879	93	4,874	7/8/2017	2,332
07/05/2017 ^f	121	1,249	5,223	259	6,852	7/1/2017	2,780
2017 YTD ^f	14,990	50,453	166,137	11,722	243,302	2017 YTD	64,157
2016 YTD ^f	6,457	40,694	138,399	10,106	195,656	2016 YTD	57,380
2017 YTD as % of 2016 YTD	232	124	120	116	124	% change YTD	112
Last 4 weeks as % of 2016 ²	165	87	99	78	97	Last 4wks % 2016	122
Last 4 weeks as % of 4-year avg. ²	109	106	158	90	141	Last 4wks % 4 yr	141
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.

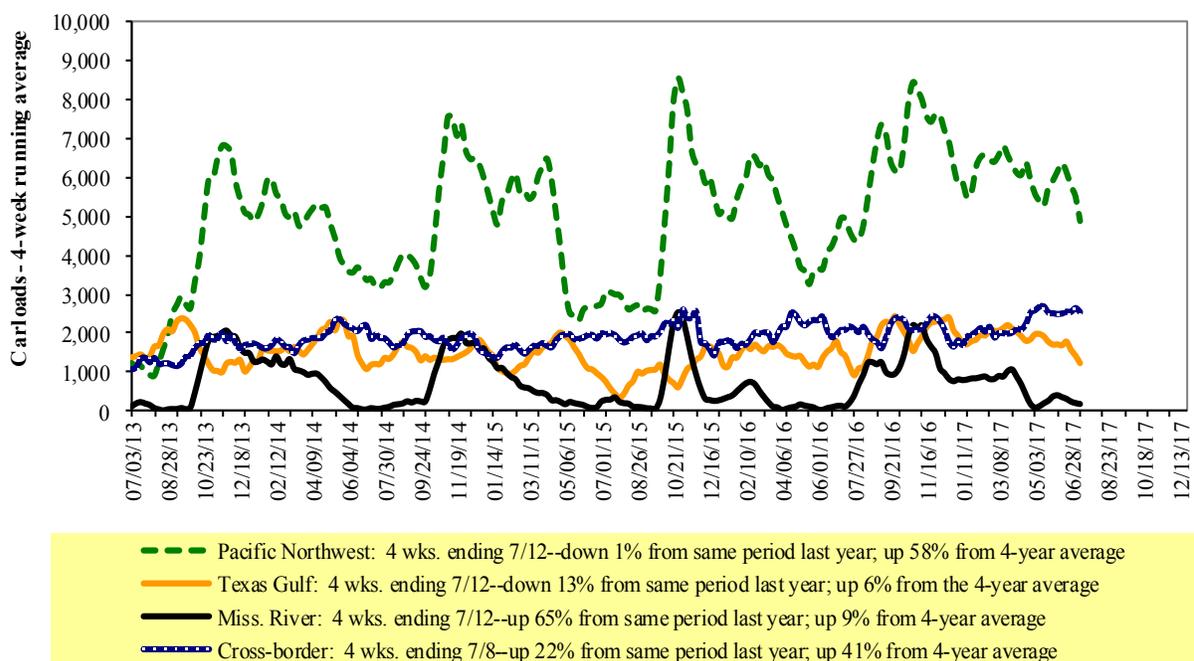
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

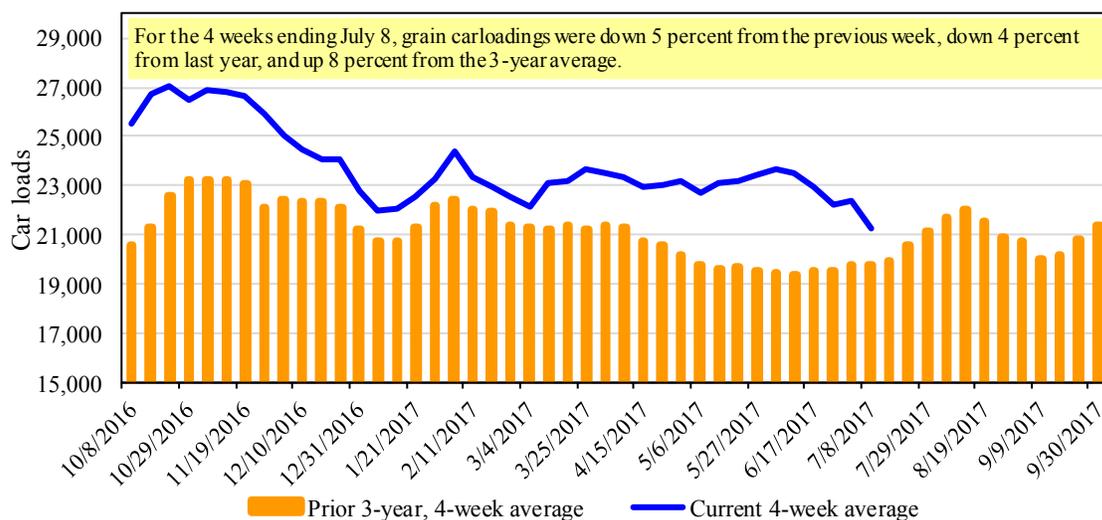
For the week ending: 7/8/2017	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
This week	1,219	3,053	8,274	709	4,807	18,062	3,407	3,980
This week last year	1,350	2,521	10,931	773	5,254	20,829	3,365	4,104
2017 YTD	47,891	75,644	309,586	25,891	159,365	618,377	103,093	120,555
2016 YTD	48,141	75,198	277,667	23,102	140,486	564,594	85,791	112,212
2017 YTD as % of 2016 YTD	99	101	111	112	113	110	120	107
Last 4 weeks as % of 2016*	103	103	89	117	102	96	113	122
Last 4 weeks as % of 3-yr avg.**	89	103	113	119	106	108	88	110
Total 2016	95,179	151,005	590,779	45,246	300,836	1,183,045	193,963	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 Offerings¹ (\$/car)²

For the week ending: 7/13/2017		Delivery period							
		Jul-17	Jul-16	Aug-17	Aug-16	Sep-17	Sep-16	Oct-17	Oct-16
BNSF ³	COT grain units	no offer	no bids	no bids	34	no bids	23	no bids	18
	COT grain single-car ⁵	no offer	0-155	no bids	116-303	no bids	1-126	no bids	90
UP ⁴	GCAS/Region 1	n/a	no bids	n/a	no bids	n/a	10	n/a	n/a
	GCAS/Region 2	n/a	no bids	n/a	no bids	n/a	14	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.

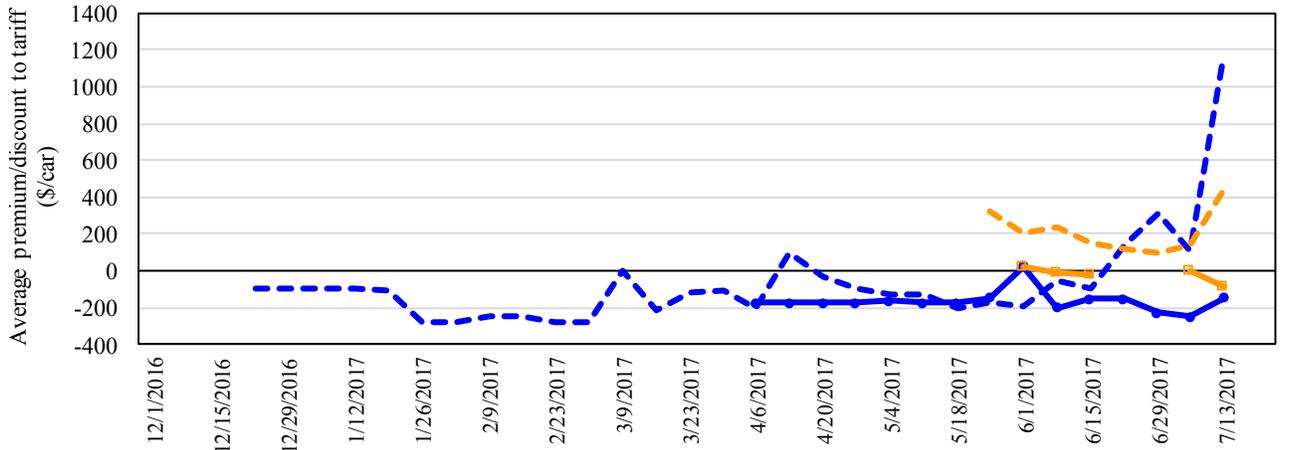
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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 2017, Secondary Market



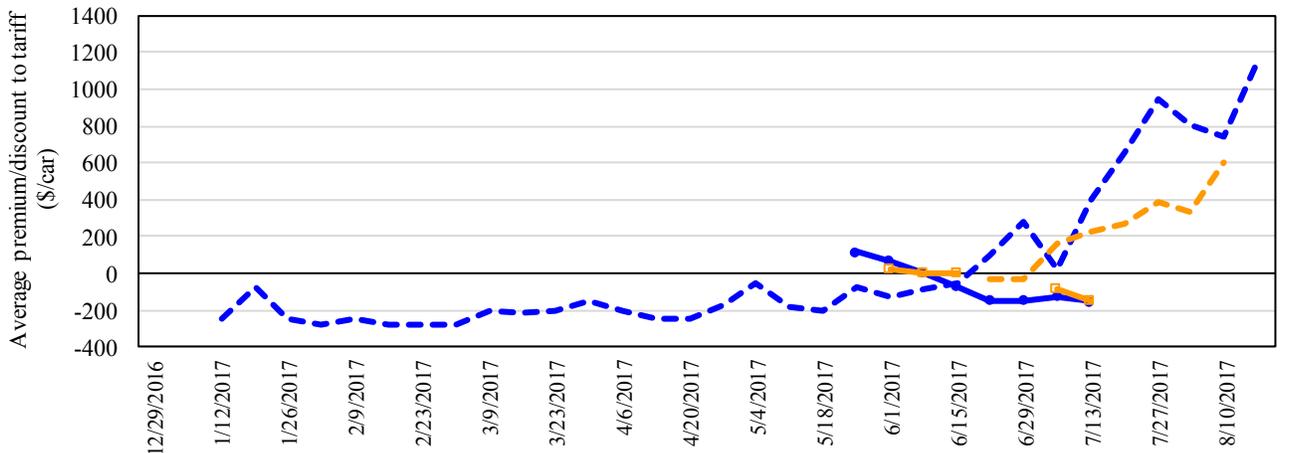
	7/13/2017	BNSF	UP
Non-Shuttle	\$0		-\$175
Shuttle	-\$100		-\$200

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

Average Non-shuttle bids/offers fell \$88 this week, and are \$113 below the peak.
 Average Shuttle bids/offers rose \$102 this week and are \$175 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



	7/13/2017	BNSF	UP
Non-Shuttle	n/a		-\$154
Shuttle	-\$163		-\$150

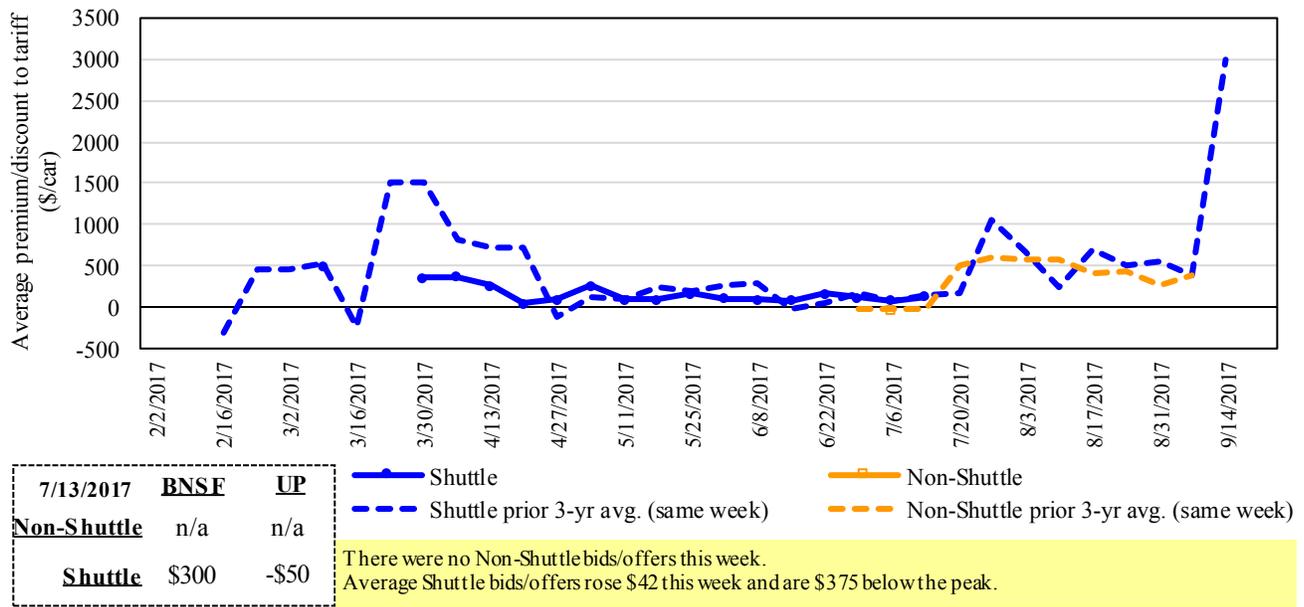
Shuttle
 Shuttle prior 3-yr avg. (same week)
 Non-Shuttle
 Non-Shuttle prior 3-yr avg. (same week)

Average Non-shuttle bids/offers fell \$63 this week, and are \$179 below the peak.
 Average Shuttle bids/offers fell \$31 this week and are \$269 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



7/13/2017	BNSF	UP
Non-Shuttle	n/a	n/a
Shuttle	\$300	-\$50

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

There were no Non-Shuttle bids/offers this week.
 Average Shuttle bids/offers rose \$42 this week and are \$375 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					
		7/13/2017	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Non-shuttle	BNSF-GF	0	n/a	n/a	n/a	n/a	n/a
	Change from last week	0	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	(175)	(154)	n/a	n/a	n/a	n/a
	Change from last week	n/a	(62)	n/a	n/a	n/a	n/a
	Change from same week 2016	(200)	(142)	n/a	n/a	n/a	n/a
Shuttle	BNSF-GF	(100)	(163)	300	875	200	n/a
	Change from last week	183	(63)	133	125	n/a	n/a
	Change from same week 2016	(538)	(463)	(500)	(125)	n/a	n/a
	UP-Pool	(200)	(150)	(50)	400	(100)	n/a
	Change from last week	21	0	(50)	(400)	n/a	n/a
	Change from same week 2016	n/a	(175)	(75)	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, 2017	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	\$3,883	\$51	\$39.06	\$1.06	8	
	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	8	
	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	8	
	Amarillo, TX	Los Angeles, CA	\$5,021	\$136	\$51.21	\$1.39	8	
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,681	\$101	\$37.55	\$0.95	1	
	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	3	
	Des Moines, IA	Los Angeles, CA	\$5,202	\$182	\$53.47	\$1.36	5	
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,634	\$67	\$36.75	\$1.00	-1	
	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	3	
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	7	
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	1	
	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	4	
	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	4	
Toledo, OH		Huntsville, AL	\$4,226	\$0	\$41.97	\$1.14	0	
Grand Island, NE	Portland, OR	\$5,460	\$164	\$55.85	\$1.52	3		

¹A 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.

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

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change ⁴ Y/Y	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$7,459	\$0	\$76.21	\$2.07	0
	OK	Cuautitlan, EM	\$6,631	\$70	\$68.46	\$1.86	2
	KS	Guadalajara, JA	\$7,309	\$249	\$77.22	\$2.10	7
	TX	Salinas Victoria, NL	\$4,292	\$42	\$44.28	\$1.20	4
Corn	IA	Guadalajara, JA	\$8,187	\$204	\$85.74	\$2.18	2
	SD	Celaya, GJ	\$7,580	\$0	\$77.45	\$1.97	1
	NE	Queretaro, QA	\$7,909	\$138	\$82.23	\$2.09	1
	SD	Salinas Victoria, NL	\$6,635	\$0	\$67.79	\$1.72	1
	MO	Tlalnepantla, EM	\$7,268	\$135	\$75.64	\$1.92	1
	SD	Torreon, CU	\$7,180	\$0	\$73.36	\$1.86	1
Soybeans	MO	Bojay (Tula), HG	\$8,647	\$214	\$90.53	\$2.46	1
	NE	Guadalajara, JA	\$8,942	\$218	\$93.59	\$2.54	-1
	IA	El Castillo, JA	\$8,960	\$0	\$91.55	\$2.49	-5
	KS	Torreon, CU	\$7,489	\$147	\$78.02	\$2.12	2
Sorghum	NE	Celaya, GJ	\$7,164	\$184	\$75.07	\$1.91	-1
	KS	Queretaro, QA	\$7,608	\$87	\$78.62	\$2.00	1
	NE	Salinas Victoria, NL	\$6,213	\$70	\$64.19	\$1.63	1
	NE	Torreon, CU	\$6,607	\$136	\$68.89	\$1.75	0

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.

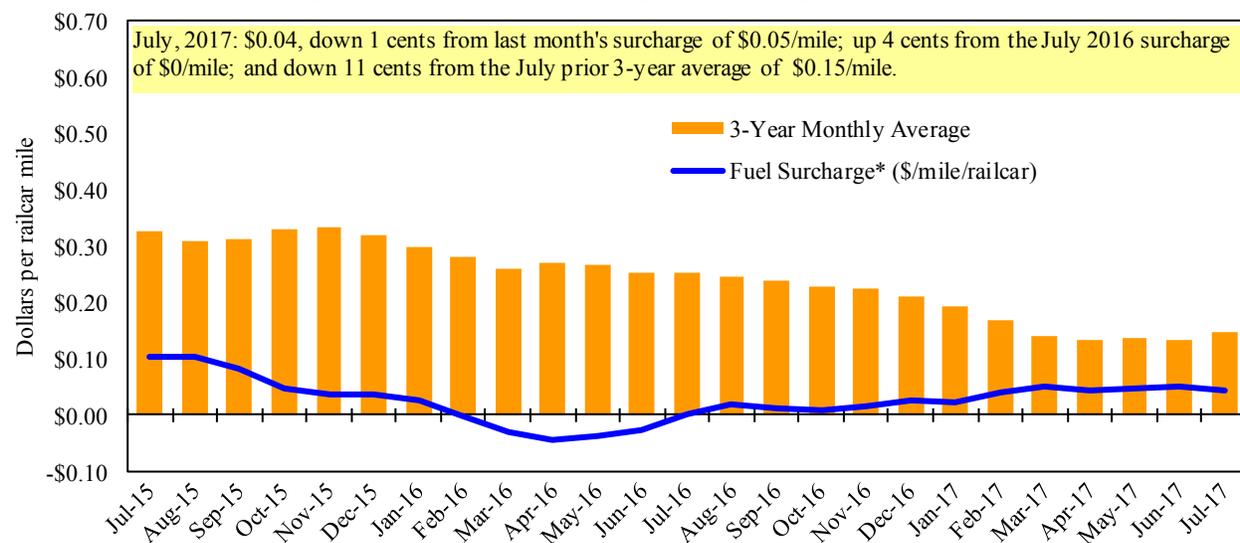
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009.

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.

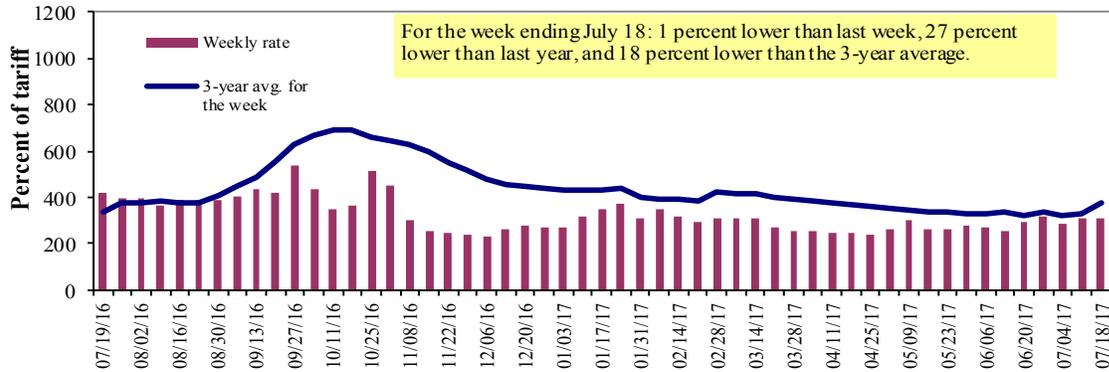
**CSX strike price changed from \$2.00/gal. to \$3.75/gal. starting January 1, 2015.

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	7/18/2017	363	308	308	230	243	243	185
	7/11/2017	368	312	312	213	217	217	183
\$/ton	7/18/2017	22.47	16.39	14.29	9.18	11.40	9.82	5.81
	7/11/2017	22.78	16.60	14.48	8.50	10.18	8.77	5.75
Current week % change from the same week:								
	Last year	-30	-33	-27	-23	-17	-17	-32
	3-year avg. ²	-29	-15	-18	-21	-21	-21	-24
Rate ¹	August	355	308	313	235	263	263	200
	October	475	413	413	335	413	413	268

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:

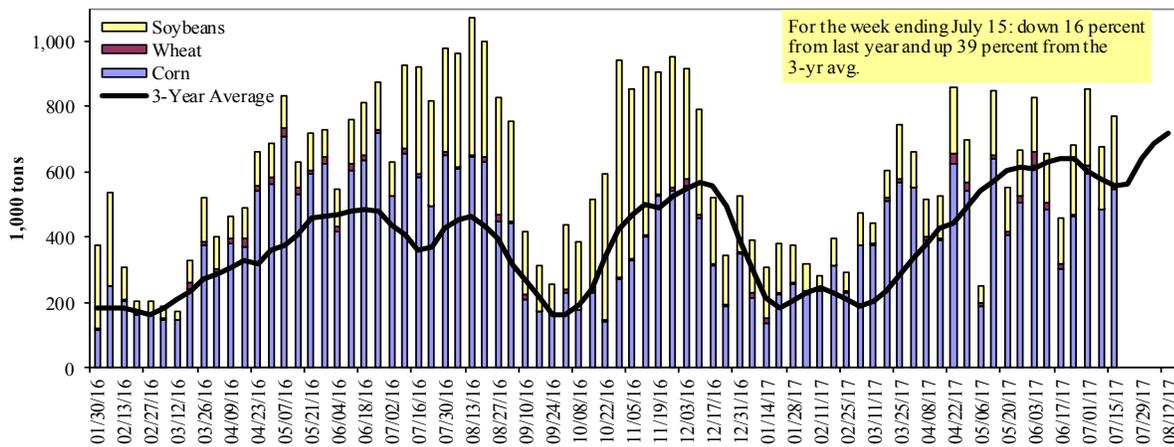
$(\text{Rate} * 1976 \text{ tariff benchmark rate per ton}) / 100$

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 7/15/2017	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	336	2	191	2	530
Winfield, MO (L25)	475	2	176	3	657
Alton, IL (L26)	541	14	206	3	764
Granite City, IL (L27)	546	14	213	3	776
Illinois River (L8)	110	6	57	3	176
Ohio River (L52)	14	31	14	2	60
Arkansas River (L1)	0	65	20	0	84
Weekly total - 2017	560	109	246	5	920
Weekly total - 2016	595	97	394	0	1,086
2017 YTD ¹	13,682	1,295	6,560	164	21,700
2016 YTD	13,523	1,167	5,778	168	20,636
2017 as % of 2016 YTD	101	111	114	97	105
Last 4 weeks as % of 2016 ²	84	98	100	29	89
Total 2016	24,136	2,030	16,668	344	43,178

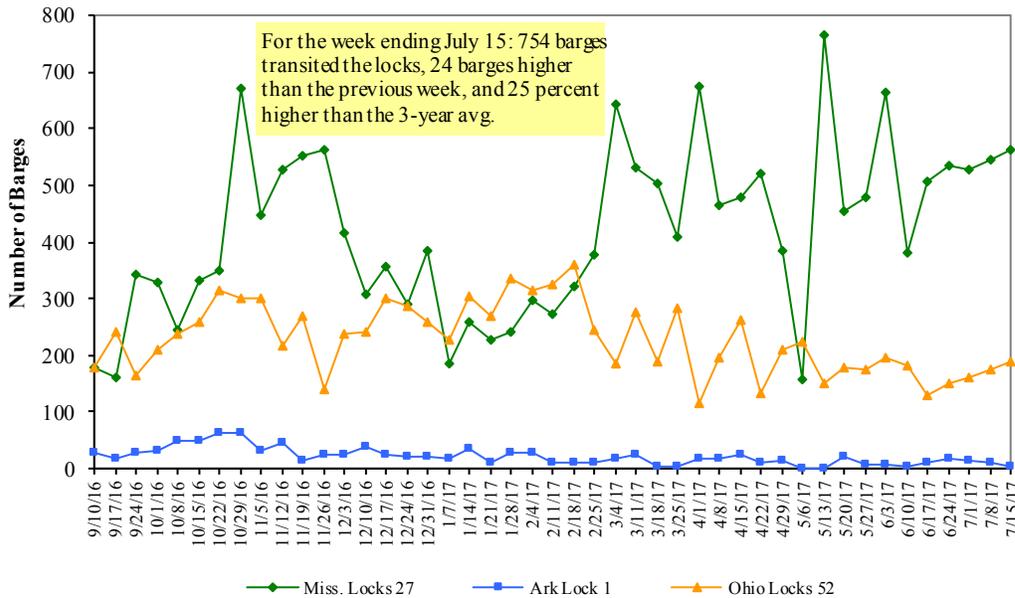
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2016.

Note: Total may not add exactly, due to rounding

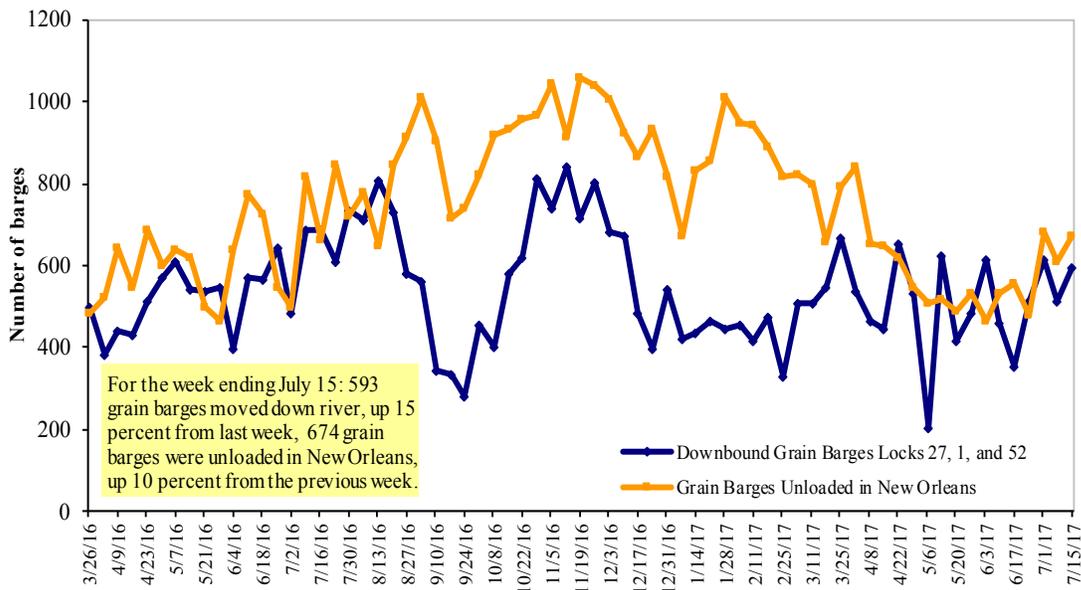
Source: U.S. Army Corps of Engineers

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 Prices¹, Week Ending 7/17/2017(US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.532	0.009	0.121
	New England	2.573	-0.005	0.127
	Central Atlantic	2.678	0.006	0.175
	Lower Atlantic	2.420	0.013	0.088
II	Midwest ²	2.438	0.017	0.069
III	Gulf Coast ³	2.324	0.013	0.062
IV	Rocky Mountain	2.587	0.003	0.152
V	West Coast	2.771	0.000	0.085
	West Coast less California	2.656	0.003	0.087
	California	2.865	-0.002	0.085
Total	U.S.	2.491	0.010	0.089

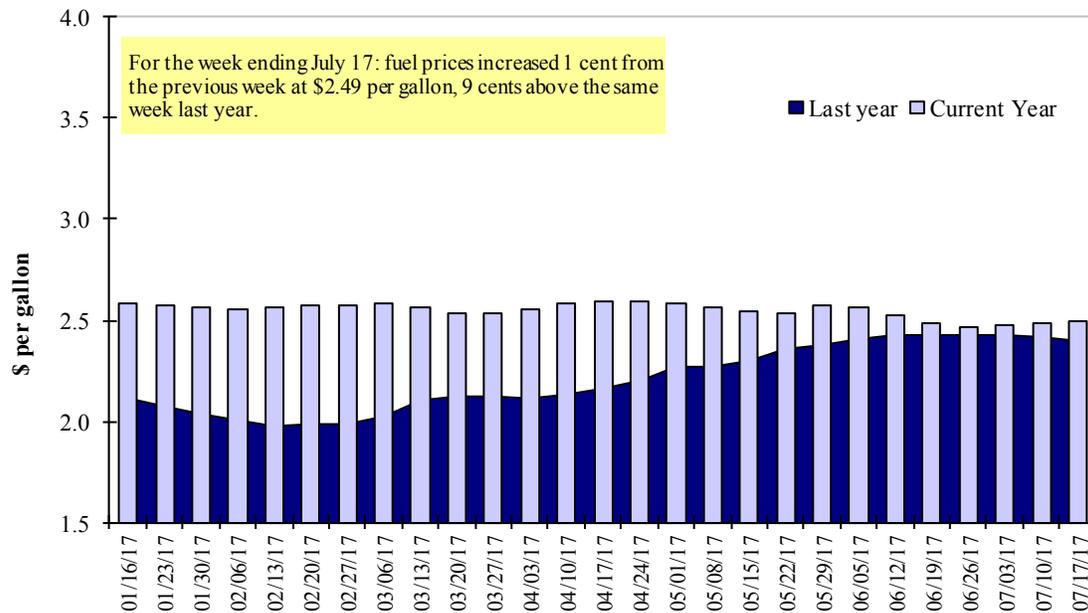
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
7/6/2017	1,659	665	1,529	1,566	128	5,547	7,472	6,663	19,682
This week year ago	2,301	615	2,227	1,075	103	6,321	11,236	7,193	24,750
Cumulative exports-marketing year²									
2016/17 YTD	1,382	252	818	677	76	3,203	48,292	53,291	104,787
2015/16 YTD	994	212	792	434	25	2,457	36,684	44,470	83,611
YTD 2016/17 as % of 2015/16	139	118	103	156	299	130	132	120	125
Last 4 wks as % of same period 2015/16	80	113	72	138	149	91	77	94	86
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 Importers¹ of U.S. Corn

For the week ending 7/06/2017	Total Commitments ²			% change current MY from last MY	Exports ³ 3-year avg 2013-2015
	2017/18	2016/17	2015/16		
	Next MY	Current MY	Last MY		
	- 1,000 mt -				- 1,000 mt -
Mexico	1,892	13,465	12,422	8	11,204
Japan	546	11,499	10,446	10	11,284
Korea	1	5,630	2,839	98	3,931
Colombia	0	4,182	4,595	(9)	4,134
Peru	37	2,965	2,226	33	2,109
Top 5 Importers	2,476	37,740	32,529	16	32,662
Total US corn export sales	3,301	55,764	47,920	16	46,633
% of Projected	7%	98%	99%		
Change from prior week ²	280	161	668		
Top 5 importers' share of U.S. corn export sales	75%	68%	68%		70%
USDA forecast, July 2017	47,710	56,616	48,295	17	
Corn Use for Ethanol USDA forecast, July 2017	139,700	138,430	132,690	5	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2015/16 - 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/. Total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales.

³FAS 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 7/06/2017	Total Commitments ²			% change current MY from last MY	Exports ³ 3-yr avg. 2013-2015
	2017/18	2016/17	2015/16		
	Next MY	Current MY	Last MY		
		- 1,000 mt -			- 1,000 mt -
China	1,290	36,090	27,829	30	29,033
Mexico	358	3,658	3,323	10	3,295
Indonesia	5	2,265	1,874	21	2,065
Japan	197	2,156	2,250	(4)	1,994
Netherlands	0	1,788	1,515	18	1,644
Top 5 importers	1,850	45,958	36,790	25	38,032
Total US soybean export sales	3,971	59,955	51,662	16	48,389
% of Projected	7%	105%	98%		
Change from prior week ²	455	228	364		
Top 5 importers' share of U.S. soybean export sales	47%	77%	71%		79%
USDA forecast, July 2017	58,583	57,221	52,752	8	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2015/16 - 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. (Carry over plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

For the week ending 7/06/2017	Total Commitments ²		% change current MY from last MY	Exports ³ 3-yr avg 2014-2016
	2017/18	2016/17		
	Current MY	Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	855	587	46	2,620
Mexico	1,268	769	65	2,743
Philippines	898	827	9	2,395
Brazil	93	232	(60)	862
Nigeria	445	332	34	1,254
Korea	677	464	46	1,104
China	391	199	96	1,623
Taiwan	302	262	15	768
Indonesia	338	165	106	726
Colombia	170	281	(40)	635
Top 10 importers	5,435	4,118	32	14,729
Total US wheat export sales	8,750	8,779	(0)	24,485
% of Projected	33%	31%		
Change from prior week ²	358	318		
Top 10 importers' share of U.S. wheat export sales	62%	47%		60%
USDA forecast, July 2017	26,567	28,747	(8)	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports for 2015/16 - 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 outstanding and/or accumulated sales³FAS 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 07/13/17	Previous Week ¹	Current Week as % of Previous	2017 YTD	2016 YTD	2017 YTD as % of 2016 YTD	Last 4-weeks as % of:		2016 Total
							Last Year	Prior 3-yr. avg.	
Pacific Northwest									
Wheat	313	118	265	8,484	6,486	131	134	143	12,325
Corn	195	180	108	8,608	6,038	143	56	81	12,009
Soybeans	69	13	524	4,670	4,446	105	n/a	n/a	14,447
Total	577	311	186	21,762	16,970	128	90	117	38,782
Mississippi Gulf									
Wheat	72	138	52	2,658	1,994	133	104	94	3,480
Corn	741	630	118	19,195	17,064	112	88	93	31,420
Soybeans	125	379	33	12,148	10,548	115	94	135	35,278
Total	937	1,147	82	34,001	29,605	115	91	100	70,178
Texas Gulf									
Wheat	132	243	54	4,105	2,107	195	106	140	6,019
Corn	0	0	n/a	407	561	72	26	52	1,669
Soybeans	0	0	n/a	0	92	0	n/a	n/a	1,105
Total	132	243	54	4,511	2,761	163	92	130	8,792
Interior									
Wheat	70	29	245	1,015	693	147	188	196	1,543
Corn	148	176	84	4,431	3,814	116	112	138	7,197
Soybeans	75	87	87	2,688	2,155	125	92	144	4,577
Total	294	291	101	8,134	6,661	122	112	147	13,317
Great Lakes									
Wheat	22	36	62	368	326	113	85	162	1,186
Corn	0	0	n/a	115	186	62	32	29	584
Soybeans	18	15	121	159	47	339	138	213	910
Total	40	51	79	641	559	115	76	109	2,681
Atlantic									
Wheat	0	0	n/a	37	185	20	0	0	315
Corn	0	0	n/a	5	14	38	n/a	0	294
Soybeans	13	7	187	934	930	100	52	106	2,269
Total	13	7	187	977	1,129	86	49	27	2,878
U.S. total from ports²									
Wheat	609	564	108	16,667	11,791	141	120	131	24,867
Corn	1,084	985	110	32,761	27,677	118	78	93	53,173
Soybeans	301	501	60	20,598	18,218	113	107	161	58,587
Total	1,994	2,050	97	70,026	57,686	121	93	111	136,627

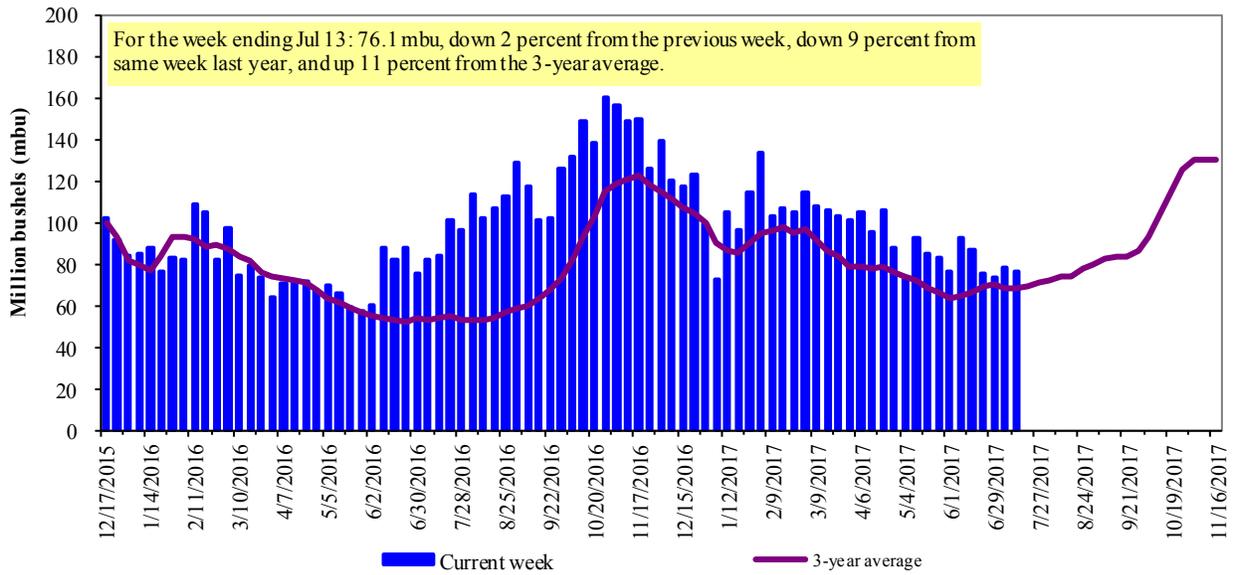
¹ Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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

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

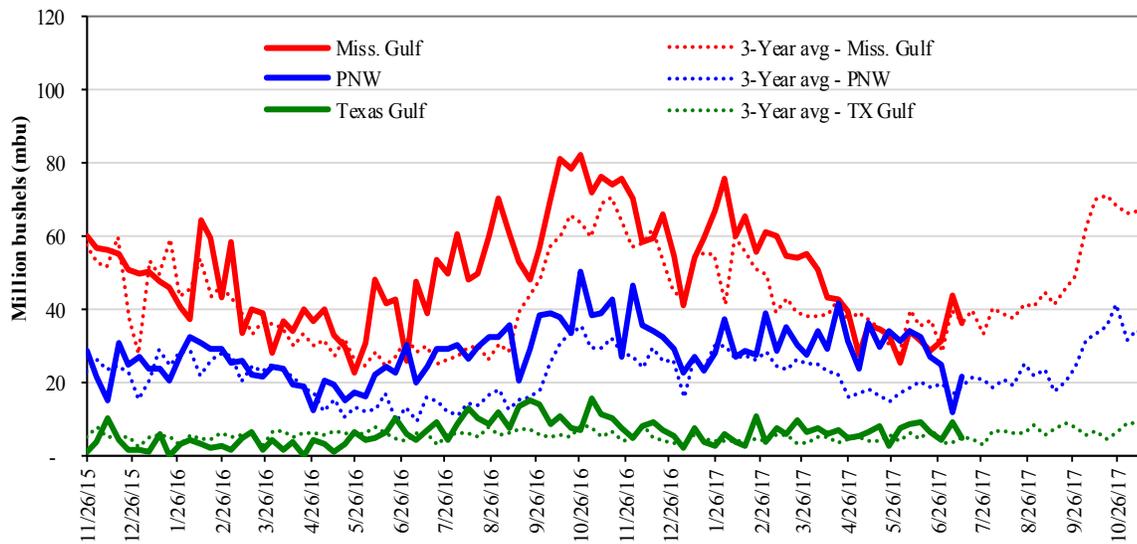
U.S. grain inspected for export (wheat, corn, and soybeans)



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 PNW¹ (wheat, corn, and soybeans)



Week ending 07/13/17 inspections (mbu):		Percent change from:			
Mississippi Gulf:	36.4	Last Week:	MS Gulf: down 17	TX Gulf: down 46	U.S. Gulf: down 22
PNW:	21.7	Last Year (same week):	down 6	down 28	down 9
Texas Gulf:	4.9	3-yr avg (4-wk. mov. Avg):	up 3	up 3	up 3
					PNW: up 18

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

Ocean Transportation

Table 17

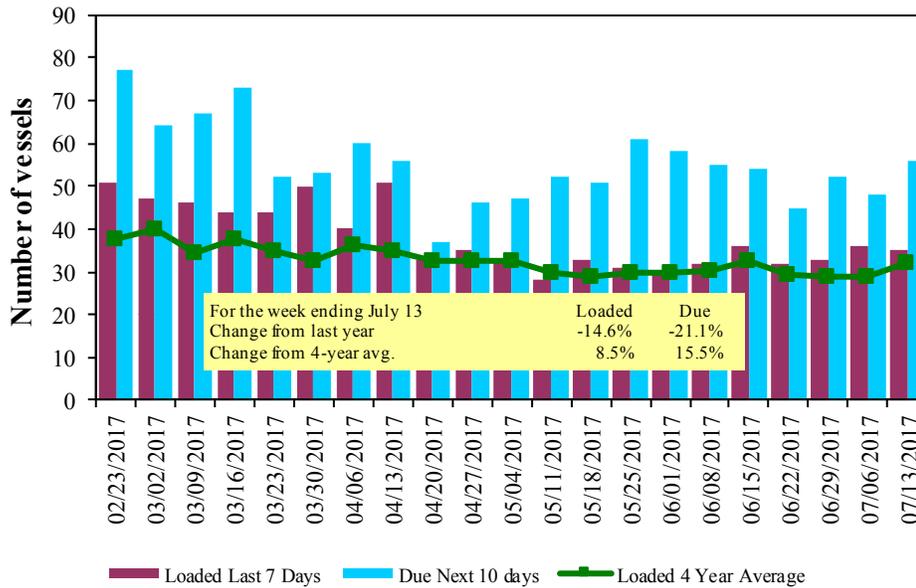
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/13/2017	34	35	56	n/a	n/a
7/6/2017	35	36	48	14	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

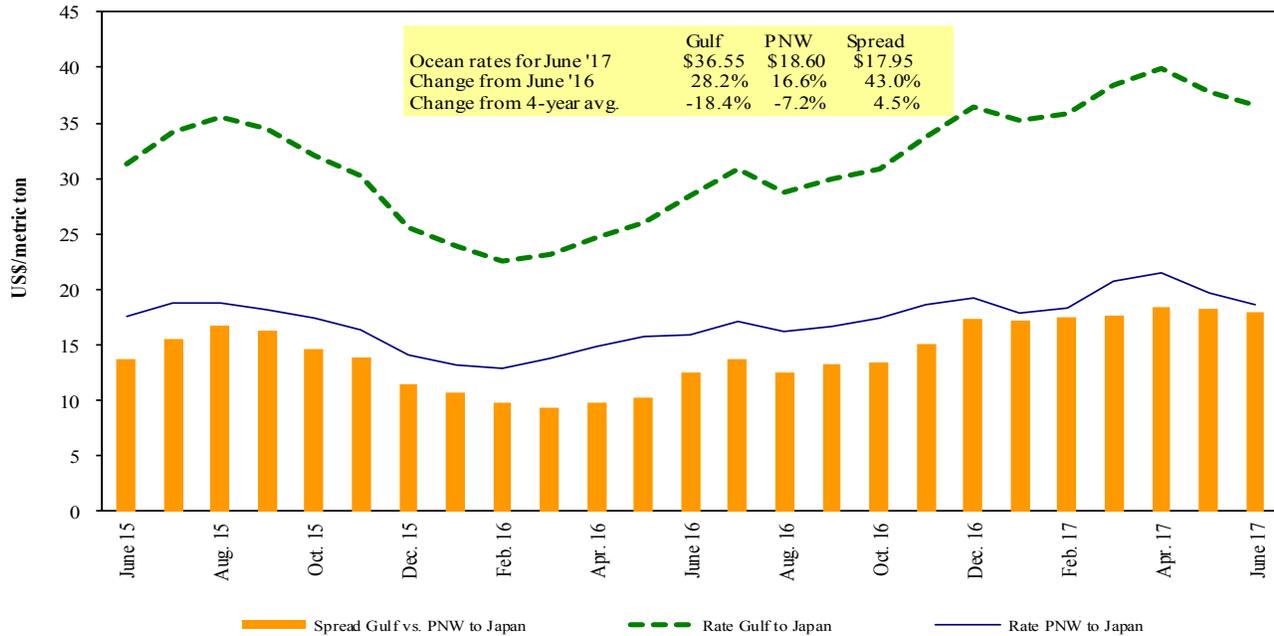
U.S. Gulf Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA
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 07/15/2017

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Jul 20/30	60,000	32.95
U.S. Gulf	China	Heavy Grain	Jul 15/25	60,000	33.65
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	Haiti	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
Brazil	China	Heavy Grain	Aug 1/10	60,000	27.25
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	Iran	Heavy Grain	Jun 15/18	70,000	22.75
EC S. America	China	Heavy Grain	May 20/30	60,000	29.75

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

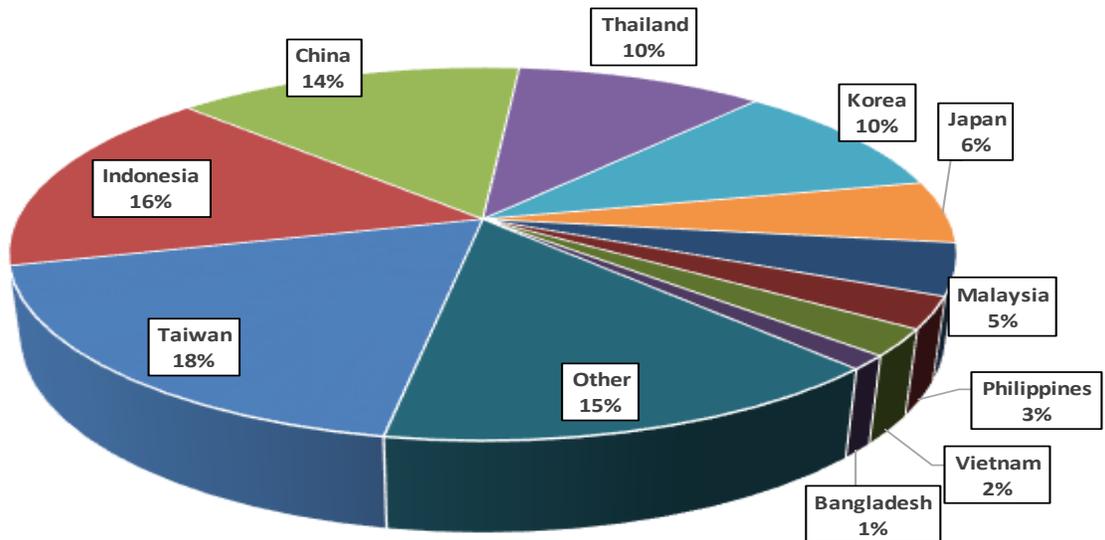
*50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

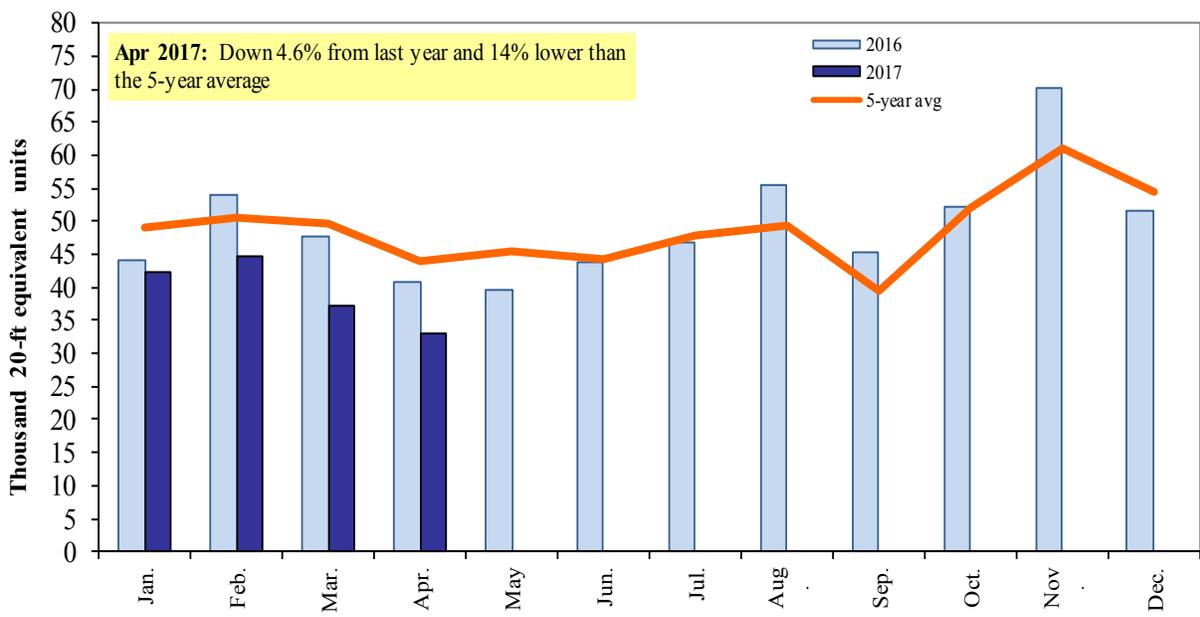


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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

Coordinators

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119
Pierre Bahizi pierre.bahizi@ams.usda.gov (202) 690 - 0992

Weekly Highlight Editors

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119
April Taylor april.taylor@ams.usda.gov (202) 720 - 7880
Nicholas Marathon nick.marathon@ams.usda.gov (202) 690 - 4430

Grain Transportation Indicators

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119

Rail Transportation

Johnny Hill johnny.hill@ams.usda.gov (202) 690 - 3295
Jesse Gastelle jesse.gastelle@ams.usda.gov (202) 690 - 1144
Peter Caffarelli petera.caffarelli@ams.usda.gov (202) 690 - 3244

Barge Transportation

Nicholas Marathon nick.marathon@ams.usda.gov (202) 690 - 4430
April Taylor april.taylor@ams.usda.gov (202) 720 - 7880
Matt Chang matt.chang@ams.usda.gov (202) 720 - 0299

Truck Transportation

April Taylor april.taylor@ams.usda.gov (202) 720 - 7880
Sergio Sotelo sergioa.sotelo@ams.usda.gov (202) 756 - 2577

Grain Exports

Johnny Hill johnny.hill@ams.usda.gov (202) 690 - 3295

Ocean Transportation

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119
(Freight rates and vessels)
April Taylor april.taylor@ams.usda.gov (202) 720 - 7880
(Container movements)

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

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