



January 5, 2012

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WEEKLY HIGHLIGHTS

[Railroads Investing in Sidings and Locomotives to Run Longer Trains](#)

In 2012, major railroads plan to invest billions of dollars in longer sidings and more locomotives to capture economies of scale from longer trains. The benefits of longer trains include reduced fuel consumption, maintenance costs, labor costs, and improved safety and efficiency. Coal, potash, and intermodal shipments are expected to utilize longer trains. Trains carrying grain shipments are limited by the size of the terminals, many of which are unable to expand. In addition, the eastern railroads are more limited regarding the length of trains because of shorter hauls, and more complex rail networks.

[Barge Movements Down Last Year](#)

For 2011, downbound barge grain movements through the locking portions of the Mississippi River System totaled 30 million tons, down 14 percent from 2010. There were 27,594 grain barges unloaded in New Orleans last year, a 8 percent annual decrease. Movements were limited by long-term flooding that disrupted barge logistics for much of the year. Also, corn exports were off the normal pace of recent years because of a smaller 2011 crop and foreign grain supplies that were competitively priced against U.S. corn.

[U.S. Army Corps of Engineers Gets Disaster Relief Funds](#)

On December 23, President Obama signed into law the Disaster Relief Appropriations Act, 2012 (DRAA). Provisions of the law provides \$534 million for necessary expenses to dredge navigation channels on the Mississippi River and Tributaries (MRT) and make repairs to U.S. Army Corps of Engineers (Corps) projects that were damaged by major flooding and other disasters. Flooding during 2011 deposited sediments that changed channel depths and widths. Additional dredging funds will help maintain MRT as a reliable and safe navigation system. DRAA provides the Corps with an additional \$388 million for flood control projects and coastal emergencies. Specific breakdown of spending by project is not available at this time.

[Total Grain Inspections Recede](#)

For the week ending December 29, total inspections of grain (corn, wheat, soybeans) for export reached 1.86 million metric tons (mmt), down 27 percent from the previous week but 15 percent above last year at this time. Inspections of corn (.627 mmt) dropped 37 percent from the past week and soybean inspections (.870 mmt) decreased 22 percent. Total inspections of wheat (.364 mmt) dropped 16 percent as shipments to Nigeria declined over 50 percent. Outstanding (unshipped) sales of corn and soybeans were also below the past week, but outstanding wheat sales remained about the same. Despite the drop in overall grain inspected, Mississippi Gulf grain inspections increased 2 percent as shipments of soybeans destined to Japan jumped over 240 percent from the previous week.

Snapshots by Sector

Rail

U.S. railroads originated 21,405 **carloads of grain** during the week ending December 24, down 6 percent from last week, down 2 percent from last year, and 1 percent lower than the 3-year average.

During the week ending December 29, average January non-shuttle secondary railcar bids/offers per car were \$6.50 above tariff, down \$6 from last week and down \$43 from last year. Average shuttle rates were \$200 below tariff, up \$25 from last week and the same as last year.

Barge

During the week ending December 31, **barge grain movements** totaled 451,554 tons, 39.5 percent lower than the previous week and 20.6 percent lower than the same period last year.

During the week ending December 31, 296 grain barges **moved down river**, down 36 percent from last week; 552 grain barges were **unloaded in New Orleans**, 20 percent from the previous week.

Ocean

During the week ending December 29, 30 **ocean-going grain vessels** were loaded in the Gulf, down 29 percent from this week last year. Fifty vessels are expected to be loaded within the next 10 days, 24 percent less than the same period last year.

During the week ending December 30, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$56 per metric ton (mt), 2 percent less than the previous week. The cost of shipping from the Pacific Northwest to Japan was \$29.50 per mt, 2 percent more than the previous week.

Fuel

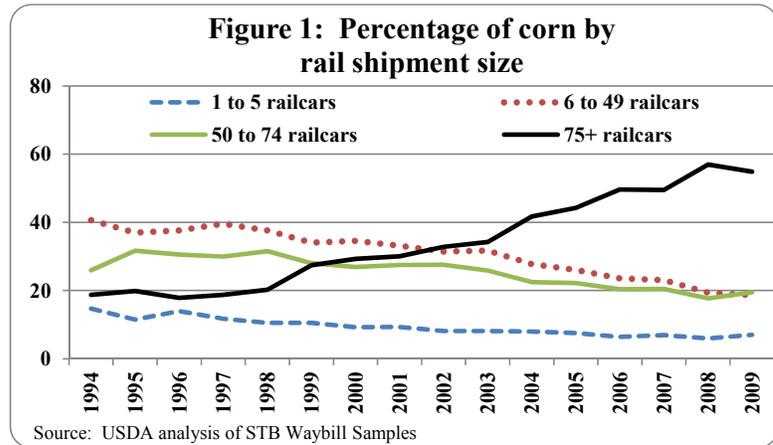
During the week ending January 2, U.S. average **diesel fuel prices** decreased 1cent to \$3.78 per gallon—down 0.2 percent from the previous week but 13.6 percent higher than the same week last year.

Feature Article/Calendar

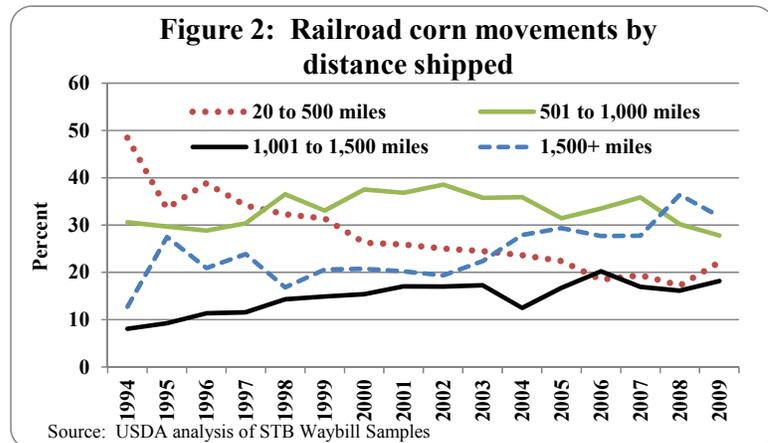
Increased Corn Shuttle Shipments Reflect Lower Costs

The U.S. Surface Transportation Board carload waybill samples show that corn tonnages hauled in shuttle-size shipments (more than 76 railcars) increased 556 percent, from 5.2 million tons in 1994 to 34 million tons in 2009, reflecting the efficiency and lower costs of shuttle-train shipments for both railroads and shippers. Over the same time period, corn tonnages hauled by 1 to 5 railcar shipments decreased 39 percent, 6 to 49 railcar shipments decreased 41 percent, and 50 to 75 railcar shipments decreased 2 percent. U.S. corn production increased 30 percent from 1994 to 2009 while the tonnage of corn moved by rail increased 28 percent.

The percentage of corn moved in shuttle-size shipments shows a definite positive trend, increasing from 9 percent of the rail corn tonnage in 1994 to 47 percent in 2009 (see figure 1). Corn shipments of 1 to 5 railcars decreased from 15 percent of the total tonnage in 1994 to 7 percent of the total in 2009. Likewise, corn shipments of 6 to 49 railcars have decreased from 41 percent of the total tonnage to 19 percent and corn shipments of 50 to 75 railcars decreased from 35 percent to 27 percent of the total tonnage.



The distance shipped also increased between 1994 and 2009, reflecting comparative advantages of different transportation modes, lower rail costs per mile for longer hauls, and changing corn markets. Figure 2 shows corn shipments between 20 and 500 miles, which are more sensitive to truck competition, decreased 42 percent from 27.3 million tons in 1994 (49 percent of the total) to 16 million tons in 2009 (22 percent of the total). Corn tonnages moving more than 1,500 miles in 2009 increased 219 percent, from 7.2 million tons (13 percent of the total) to 23 million tons (32 percent of the total). Corn tonnages moving 1,001 to 1,500 miles increased 188 percent from 4.6 million tons (8 percent of the total) in 1994 to 13.1 million tons (18 percent of the total) in 2009. Corn tonnages moving 501 to 1,000 miles increased 16 percent, from 17.2 million tons to 20.1 million tons, but decreased from 31 percent of the total tonnage in 1994 to 28 percent in 2009. The average length of haul for corn was 660 miles in 1994, but was 1,129 miles in 2009 (AAR, The Rail



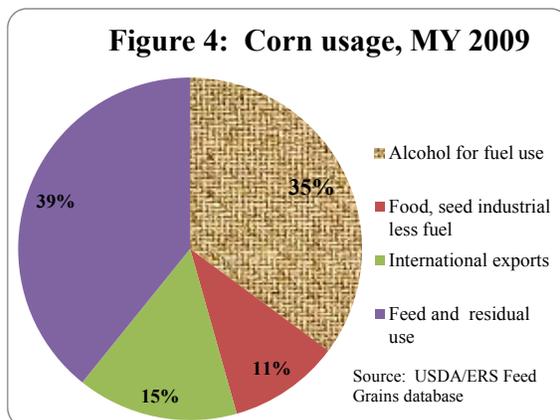
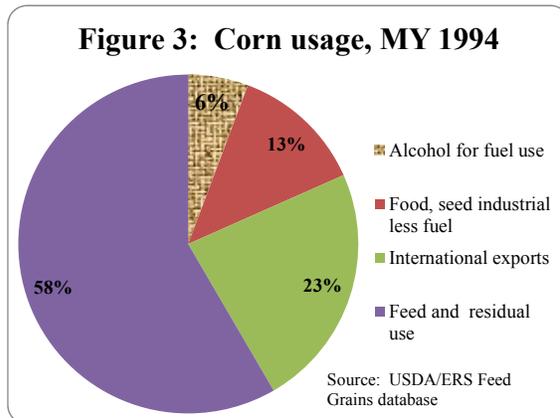
Transportation of Grain). The longer hauls often move corn to export markets and to large animal and poultry feed lots.

Since 1994, the proportion of the corn crop moved by railroads has averaged 26 percent and ranged from 20 to 39 percent. The proportion moved by railroads has trended downward because of increased amounts of corn used in ethanol production, which favors truck movements of corn over rail movements.

Corn usage has changed markedly since 1994. In 1994, 58 percent of corn usage was for feed and residual usage compared to only 39 percent in 2009 (see figures 3 and 4). Usage for alcohol for fuel use (ethanol) increased from 6 percent in 1994 to 35 percent in 2009. A by-product of ethanol production is distillers' grains, which is also used to feed animals in feed lots, offsetting the reduced corn usage for feed. Food, seed, and industrial use (less fuel usage) has decreased from 13 percent to 11 percent. Corn exports have decreased from 23 percent of usage to 15 percent. The quantity of corn exports, however, decreased only 9 percent, from 61 million tons in 1994 to 55.4 million tons in 2009. Nearly as much corn was exported during 2005 (59.7 million tons) and 2006 (59.5 million tons) as was in 1994. Considerably more corn was exported in 2007 (68.2 million tons) than in 1994.

Corn exports can be volatile depending upon domestic supplies and the availability of foreign feed-quality wheat, which can replace corn which would normally be exported from the United States.

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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail ²	Barge	Ocean	
				Gulf	Pacific
01/04/12	254	102	191	250	209
12/28/11	254	108	190	255	206

¹Indicator: Base year 2000 = 100; Weekly updates include truck = diesel (\$/gallon); rail = nearby secondary rail market (\$/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan (\$/metric ton)

²The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.
Source: Transportation & Marketing Programs/AMS/USDA

Table 2

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

Commodity	Origin--Destination	12/30/2011	12/23/2011
Corn	IL--Gulf	-0.63	-0.60
Corn	NE--Gulf	-0.70	-0.65
Soybean	IA--Gulf	-1.22	-1.20
HRW	KS--Gulf	nq	-1.43
HRS	ND--Portland	nq	-1.80

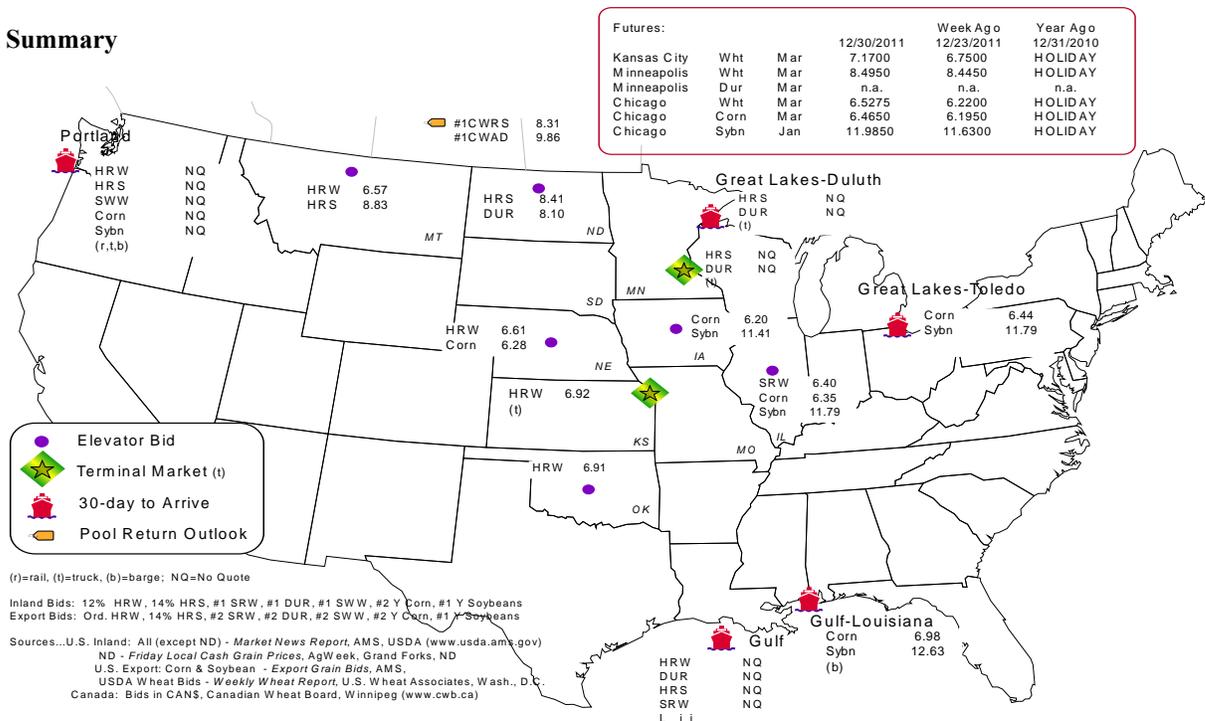
Note: nq = no quote

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

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
12/28/2011 ^p	4	200	972	2,747	452	4,375
12/21/2011 ^r	56	594	708	3,840	499	5,697
2011 YTD	27,358	77,436	48,772	178,987	24,088	356,641
2010 YTD	31,769	79,736	41,542	170,845	31,366	355,258
2011 YTD as % of 2010 YTD	86	97	117	105	77	100
Last 4 weeks as % of 2010 ²	6	30	142	93	73	68
Last 4 weeks as % of 4-year avg. ²	7	36	147	93	63	72
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933
Total 2009	33,423	57,646	36,738	175,965	30,328	334,100

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2010 and prior 4-year average.

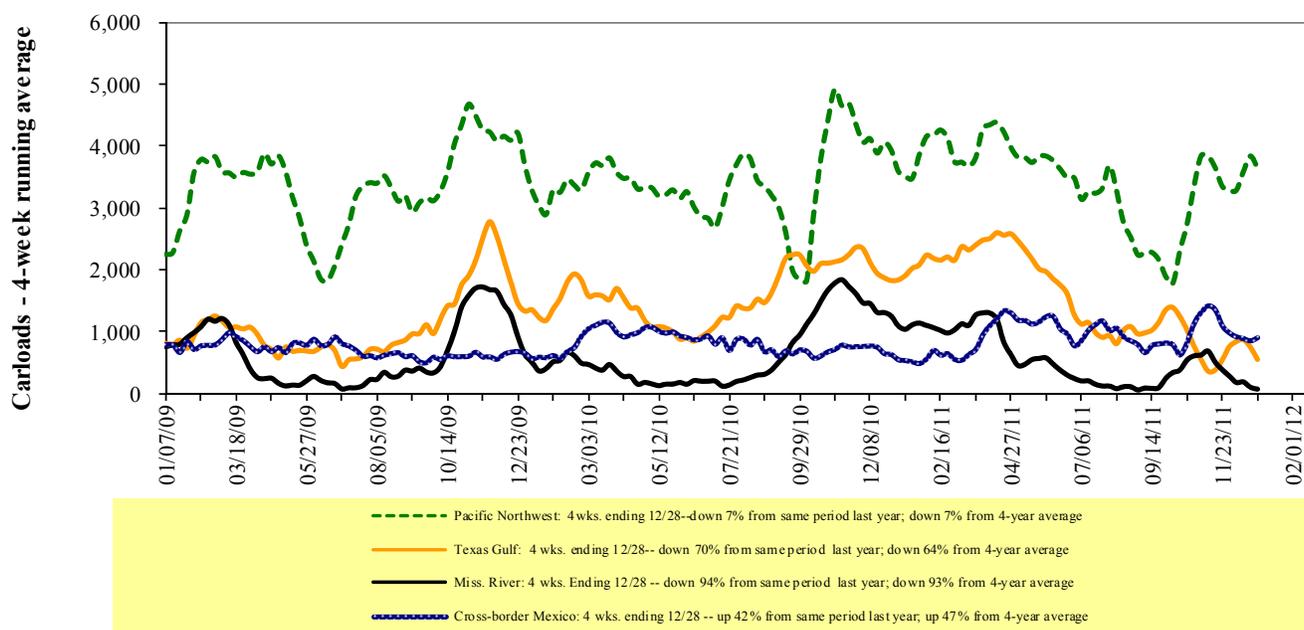
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 35 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

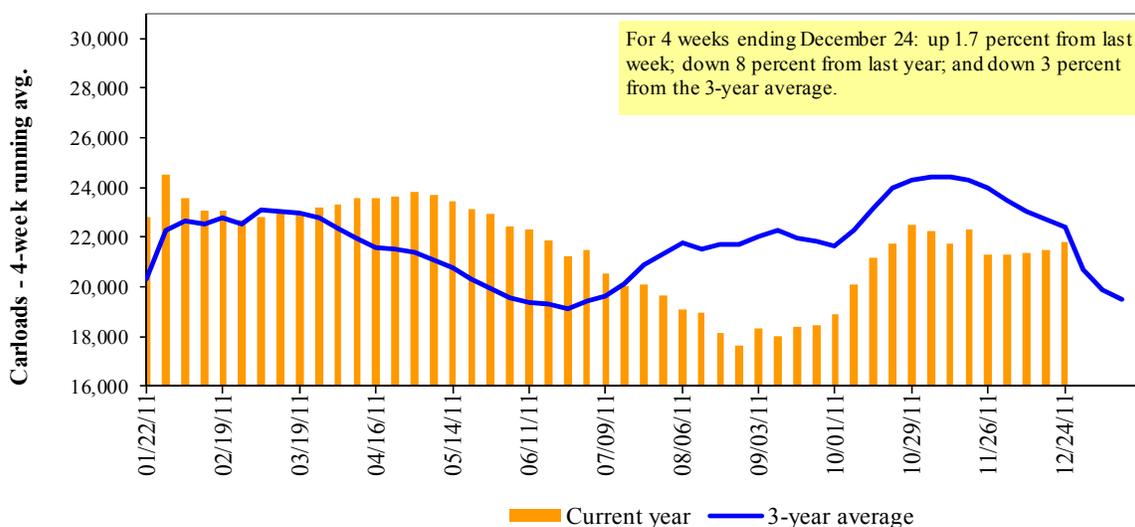
Table 4

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

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
12/24/11	2,646	2,946	10,322	442	5,049	21,405	4,021	5,664
This week last year	2,629	2,934	10,105	468	5,646	21,782	3,575	4,665
2011 YTD	96,625	148,452	537,249	34,280	288,195	1,104,801	197,378	266,187
2010 YTD	109,972	157,032	538,741	35,405	290,370	1,131,520	200,274	262,814
2011 YTD as % of 2010 YTD	88	95	100	97	99	98	99	101
Last 4 weeks as % of 2010 ¹	94	89	99	67	85	92	100	118
Last 4 weeks as % of 3-yr avg. ¹	97	95	107	63	95	100	106	113
Total 2010	111,935	159,836	546,901	35,807	295,361	1,149,840	203,038	265,835

¹As a percent of the same period in 2009 and 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

Week ending	Delivery period							
	Jan-12	Jan-11	Feb-12	Feb-11	Mar-12	Mar-11	Apr-12	Apr-11
12/29/2011								
BNSF ³								
COT grain units	no bids	no offer	no bids	no offer	no bids	no bids	no bids	no bids
COT grain single-car ⁵	0	0	10	11	no bids	4	no bids	no bids
UP ⁴								
GCAS/Region 1	1	1	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	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.

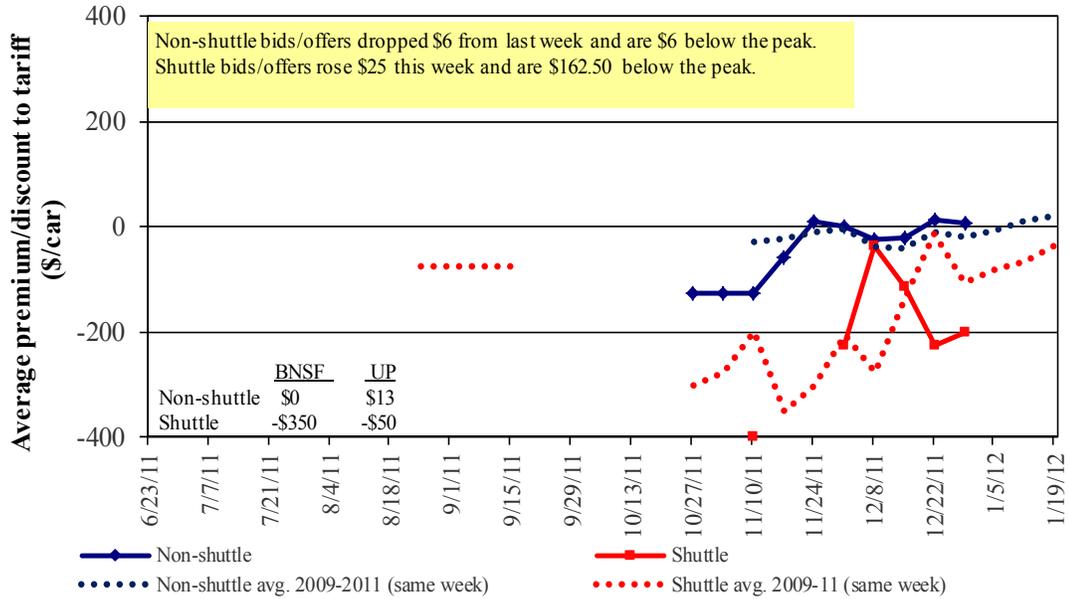
⁵Range is shown because average is not available. Not available = n/a.

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 January 2012, Secondary Market

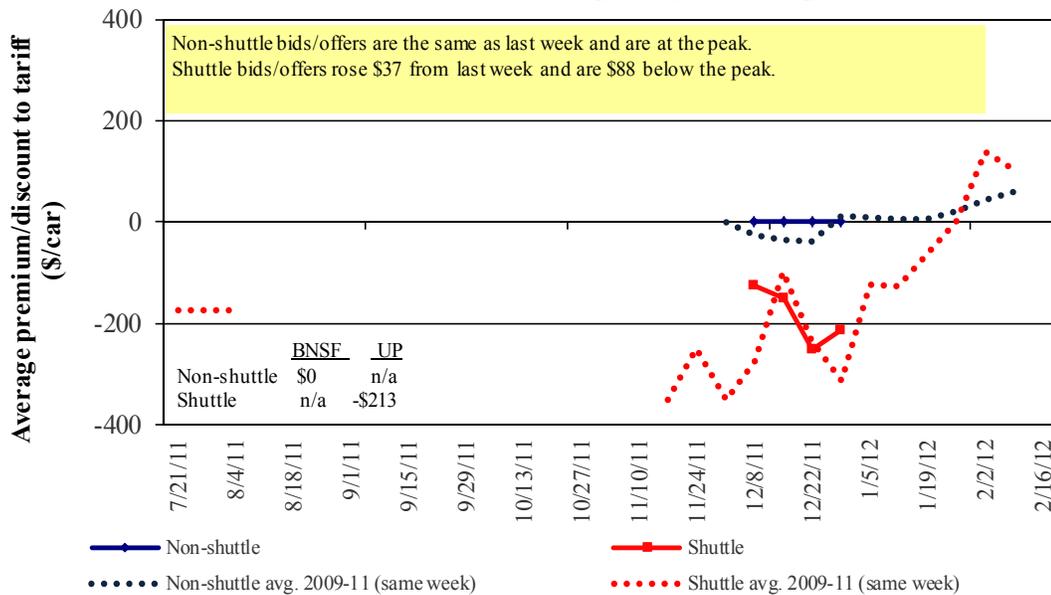


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in February 2012, Secondary Market

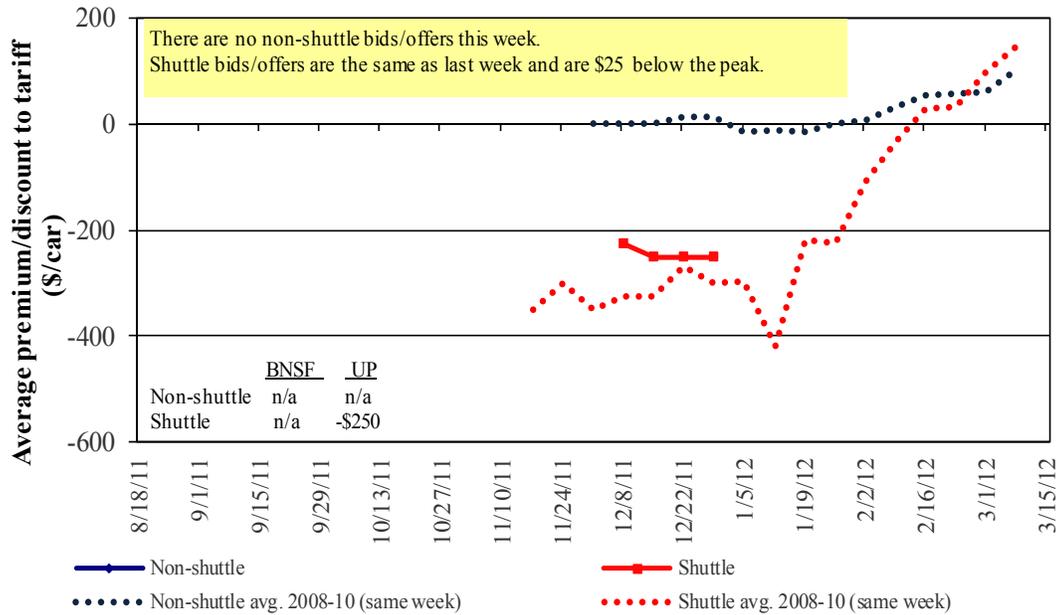


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in March 2012, Secondary Market



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

Week ending	Delivery period					
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Non-shuttle						
BNSF-GF	-	-	n/a	n/a	n/a	n/a
Change from last week	-	-	n/a	n/a	n/a	n/a
Change from same week 2010	(61)	(100)	n/a	n/a	n/a	n/a
UP-Pool	13	n/a	n/a	n/a	n/a	n/a
Change from last week	(12)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(25)	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(350)	n/a	n/a	n/a	n/a	n/a
Change from last week	(25)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(300)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(50)	(213)	(250)	n/a	n/a	n/a
Change from last week	75	(38)	-	n/a	n/a	n/a
Change from same week 2010	300	100	50	n/a	n/a	n/a

¹ Average premium/discount to tariff, \$/car-last week

² Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

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 Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:				Fuel	Tariff plus surcharge per:		Percent
1/2/2012	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$2,992	\$192	\$31.62	\$0.86	11
	Grand Forks, ND	Duluth-Superior, MN	\$3,097	\$110	\$31.85	\$0.87	19
	Wichita, KS	Los Angeles, CA	\$5,710	\$566	\$62.32	\$1.70	9
	Wichita, KS	New Orleans, LA	\$3,492	\$338	\$38.04	\$1.04	11
	Sioux Falls, SD	Galveston-Houston, TX	\$5,410	\$465	\$58.34	\$1.59	5
	Northwest KS	Galveston-Houston, TX	\$3,760	\$371	\$41.02	\$1.12	10
	Amarillo, TX	Los Angeles, CA	\$3,959	\$516	\$44.44	\$1.21	11
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,062	\$382	\$34.20	\$0.93	14
	Toledo, OH	Raleigh, NC	\$3,942	\$433	\$43.45	\$1.18	9
	Des Moines, IA	Davenport, IA	\$1,934	\$81	\$20.01	\$0.54	7
	Indianapolis, IN	Atlanta, GA	\$3,381	\$325	\$36.80	\$1.00	9
	Indianapolis, IN	Knoxville, TN	\$2,833	\$209	\$30.20	\$0.82	6
	Des Moines, IA	Little Rock, AR	\$3,074	\$238	\$32.89	\$0.90	8
	Des Moines, IA	Los Angeles, CA	\$4,985	\$693	\$56.38	\$1.53	19
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,489	\$417	\$38.79	\$1.06	9
	Toledo, OH	Huntsville, AL	\$3,057	\$308	\$33.41	\$0.91	9
	Indianapolis, IN	Raleigh, NC	\$4,013	\$436	\$44.18	\$1.20	9
	Indianapolis, IN	Huntsville, AL	\$2,749	\$209	\$29.37	\$0.80	8
	Champaign-Urbana, IL	New Orleans, LA	\$3,406	\$382	\$37.62	\$1.02	13
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,239	\$326	\$35.40	\$0.96	8
	Wichita, KS	Galveston-Houston, TX	\$3,144	\$253	\$33.74	\$0.92	6
	Chicago, IL	Albany, NY	\$3,645	\$406	\$40.23	\$1.09	9
	Grand Forks, ND	Portland, OR	\$4,702	\$562	\$52.28	\$1.42	8
	Grand Forks, ND	Galveston-Houston, TX	\$5,745	\$586	\$62.87	\$1.71	9
	Northwest KS	Portland, OR	\$4,727	\$608	\$52.98	\$1.44	10
	Corn	Minneapolis, MN	Portland, OR	\$4,800	\$685	\$54.47	\$1.48
Sioux Falls, SD		Tacoma, WA	\$4,760	\$627	\$53.50	\$1.46	9
Champaign-Urbana, IL		New Orleans, LA	\$2,877	\$382	\$32.37	\$0.88	13
Lincoln, NE		Galveston-Houston, TX	\$3,310	\$366	\$36.50	\$0.99	10
Des Moines, IA		Amarillo, TX	\$3,430	\$299	\$37.03	\$1.01	7
Minneapolis, MN		Tacoma, WA	\$4,800	\$679	\$54.41	\$1.48	10
Council Bluffs, IA		Stockton, CA	\$4,200	\$703	\$48.69	\$1.33	12
Soybeans	Sioux Falls, SD	Tacoma, WA	\$5,040	\$627	\$56.28	\$1.53	10
	Minneapolis, MN	Portland, OR	\$5,030	\$685	\$56.75	\$1.54	11
	Fargo, ND	Tacoma, WA	\$4,930	\$558	\$54.49	\$1.48	10
	Council Bluffs, IA	New Orleans, LA	\$3,710	\$441	\$41.22	\$1.12	11
	Toledo, OH	Huntsville, AL	\$2,672	\$308	\$29.59	\$0.81	10
	Grand Island, NE	Portland, OR	\$4,520	\$622	\$51.06	\$1.39	6

¹A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of

90-110 cars that meet railroad efficiency requirements.

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

³Percentage change year over year calculated using tariff rate plus fuel surcharge

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

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

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 Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$7,741	\$595	\$85.17	\$2.32	9
	OK	Cuatitlan, EM	\$6,804	\$623	\$75.88	\$2.06	9
	KS	Guadalajara, JA	\$7,411	\$896	\$84.88	\$2.31	8
	TX	Salinas Victoria, NL	\$3,753	\$253	\$40.93	\$1.11	10
Corn	IA	Guadalajara, JA	\$7,699	\$918	\$88.04	\$2.23	8
	SD	Penjamo, GJ	\$7,776	\$778	\$87.41	\$2.22	12
	NE	Queretaro, QA	\$7,048	\$799	\$80.18	\$2.03	14
	SD	Salinas Victoria, NL	\$5,650	\$592	\$63.77	\$1.62	12
	MO	Tlalnepantla, EM	\$6,227	\$778	\$71.58	\$1.82	16
	SD	Torreón, CU	\$6,522	\$652	\$73.30	\$1.86	10
Soybeans	MO	Bojay (Tula), HG	\$6,986	\$803	\$79.58	\$2.16	9
	NE	Guadalajara, JA	\$7,904	\$918	\$90.14	\$2.45	10
	IA	El Castillo, JA ⁵	\$8,255	\$774	\$92.25	\$2.51	8
	KS	Torreón, CU	\$6,396	\$628	\$71.77	\$1.95	10
Sorghum	OK	Cuatitlan, EM	\$5,885	\$591	\$66.17	\$1.68	18
	TX	Guadalajara, JA	\$6,653	\$507	\$73.15	\$1.86	11
	NE	Penjamo, GJ	\$7,446	\$859	\$84.86	\$2.15	15
	KS	Queretaro, QA	\$6,353	\$552	\$70.55	\$1.79	13
	NE	Salinas Victoria, NL	\$5,103	\$525	\$57.50	\$1.46	13
	NE	Torreón, CU	\$6,068	\$668	\$68.82	\$1.75	9

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

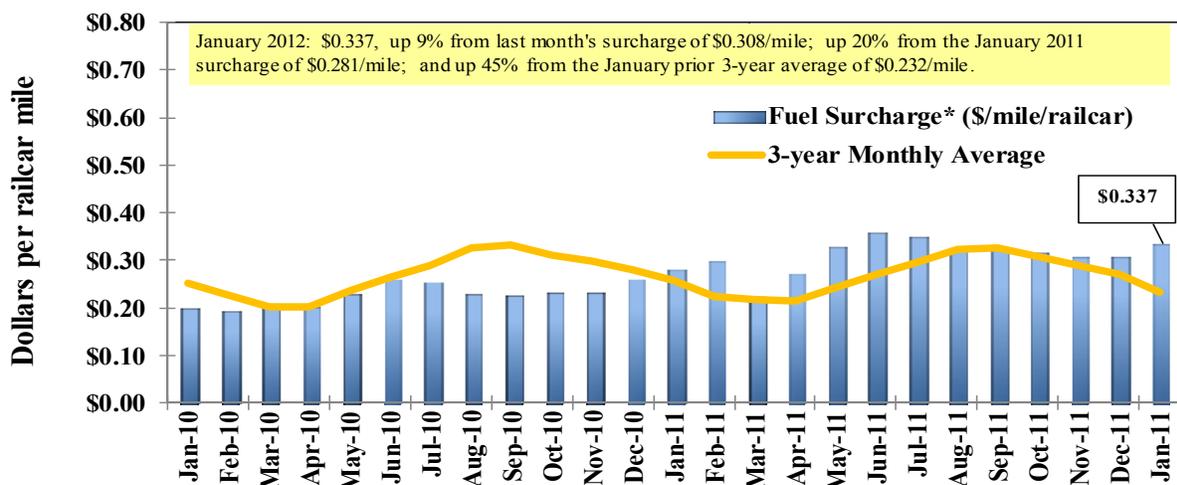
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

⁴Percentage change year over year calculated using tariff rate plus fuel surcharge

⁵Beginning 12/6/10, El Castillo, JA replaced Penjamo, GJ as the destination

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.

* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

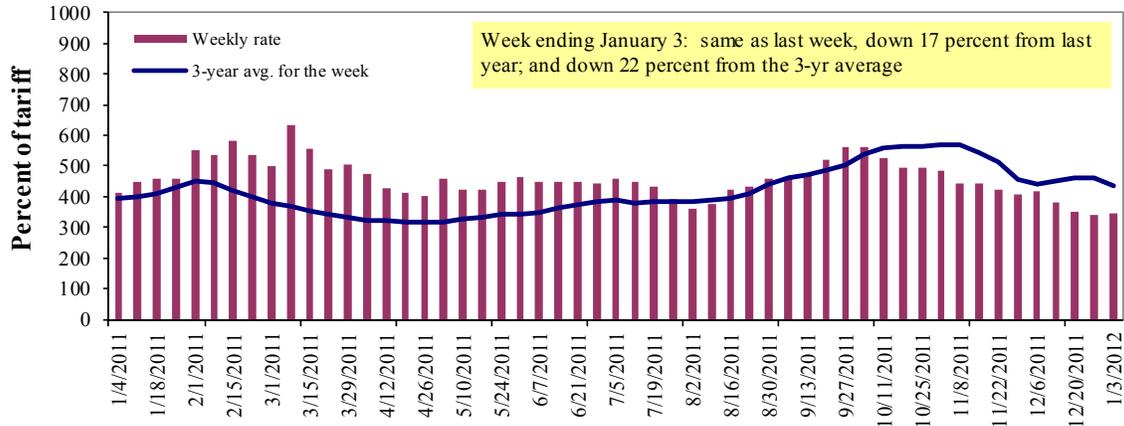
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

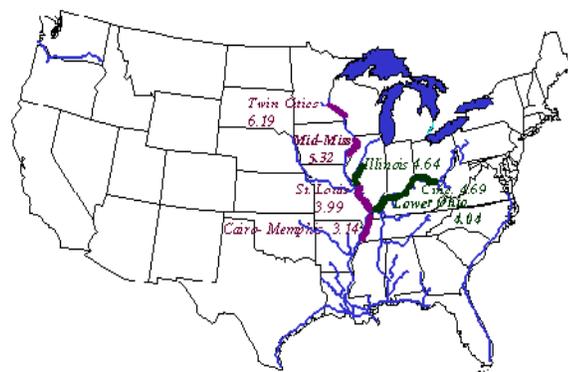
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	1/3/2011	--	--	343	248	337	337	228
	12/27/2010	--	--	342	242	330	330	230
\$/ton	1/3/2011	--	--	15.92	9.90	15.81	13.61	7.16
	12/27/2010	--	--	15.87	9.66	15.48	13.33	7.22
Current week % change from the same week:								
	Last year	--	--	-17	-18	-11	-11	-18
	3-year avg. ²	--	--	-22	-25	-7	-7	-20
Rate¹	February	--	--	370	267	345	345	240
	April	425	387	332	260	338	338	235

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

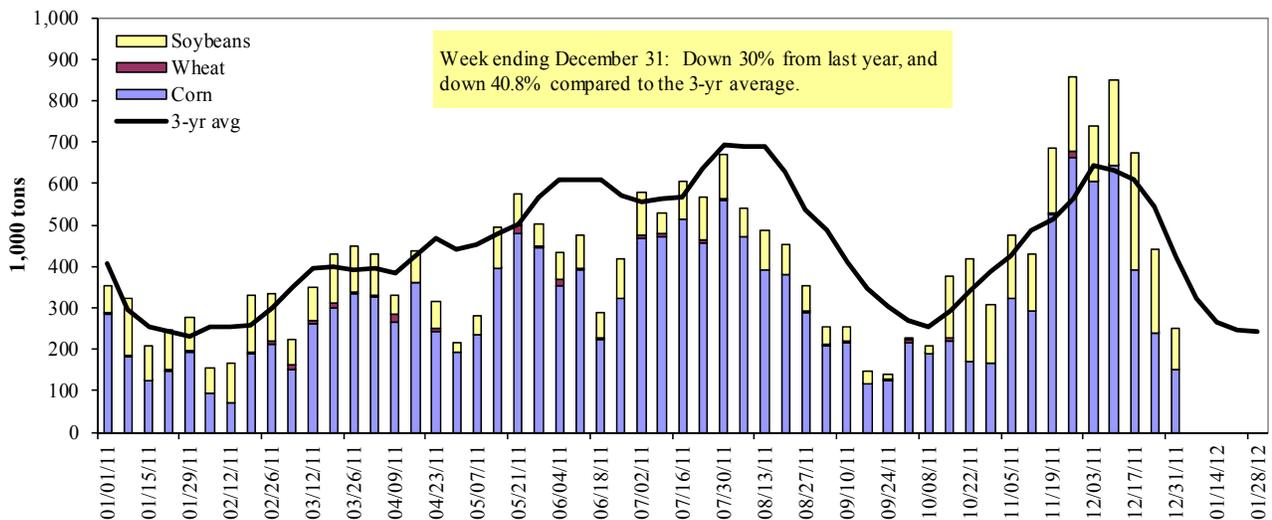


Calculating barge rate per ton:

(Index * 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 (see figure 9).

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 (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 12/31/2011	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	2	0	15	0	17
Alton, IL (L26)	149	0	93	0	242
Granite City, IL (L27)	150	0	99	0	250
Illinois River (L8)	129	2	95	0	226
Ohio River (L52)	83	14	78	0	175
Arkansas River (L1)	0	7	20	0	27
Weekly total - 2011	233	22	197	0	452
Weekly total - 2010	353	26	180	10	569
2011 YTD ¹	19,921	1,460	8,553	422	30,356
2010 YTD	22,768	1,220	10,373	481	34,841
2011 as % of 2010 YTD	87	120	82	88	87
Last 4 weeks as % of 2010 ²	125	92	88	27	106
Total 2010	22,768	1,220	10,373	481	34,841

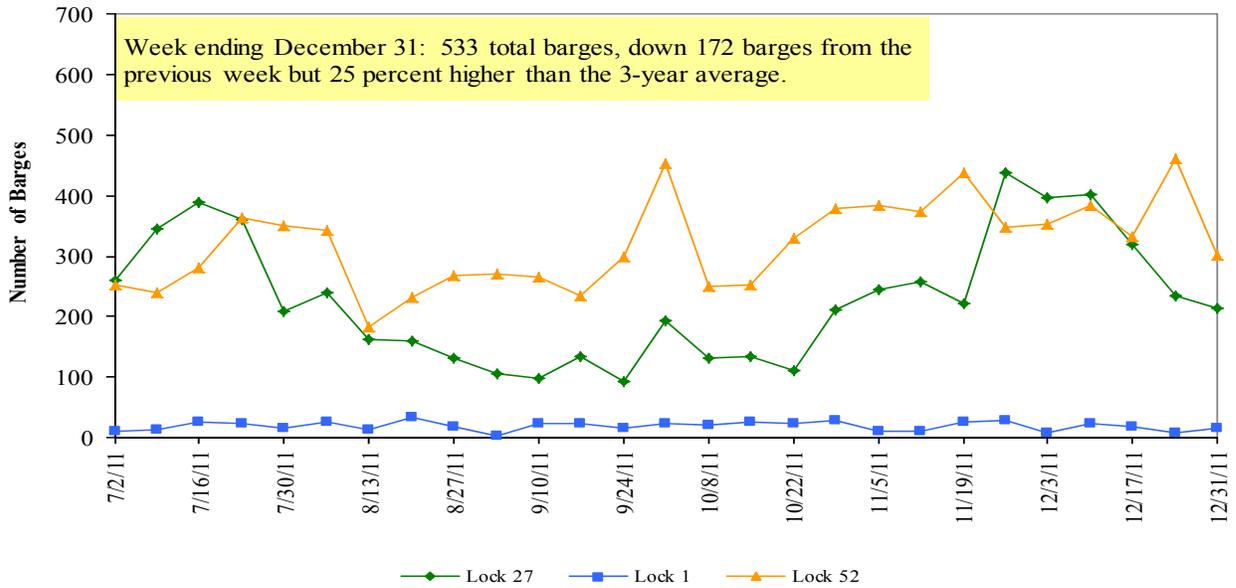
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2010.

Note: Total may not add exactly, due to rounding

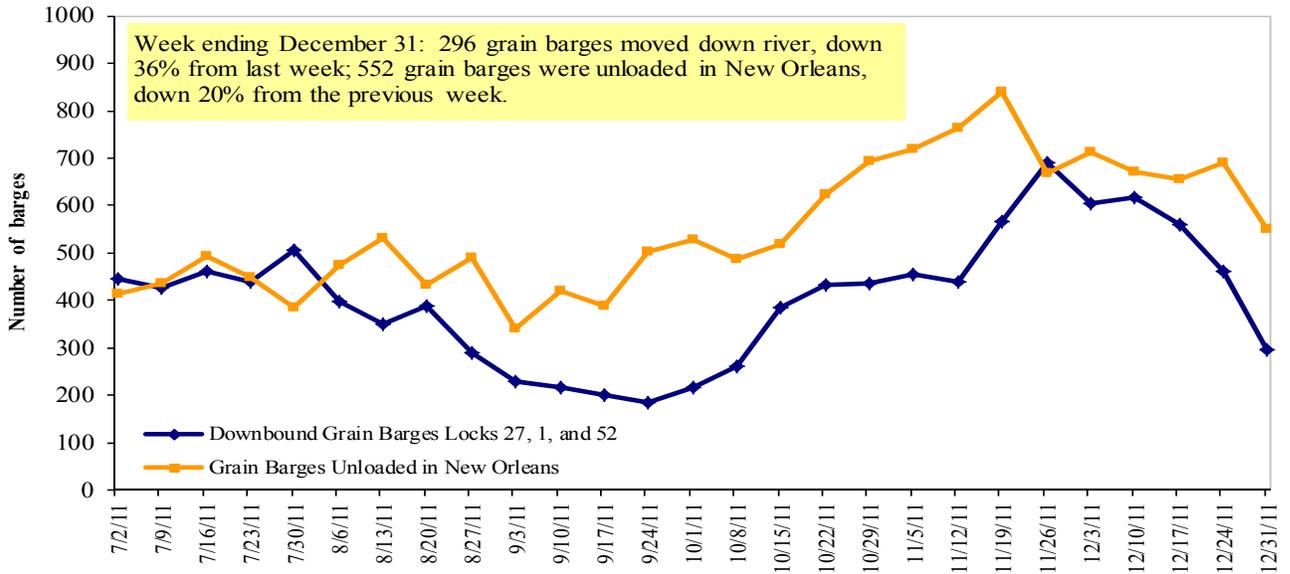
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

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 1/2/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.844	0.004	0.487
	New England	3.973	0.000	0.546
	Central Atlantic	3.932	0.007	0.462
	Lower Atlantic	3.754	0.002	0.451
II	Midwest ²	3.683	-0.023	0.380
III	Gulf Coast ³	3.709	0.001	0.430
IV	Rocky Mountain	3.836	-0.025	0.504
V	West Coast	3.979	0.001	0.536
	California	4.046	0.007	0.539
Total	U.S.	3.783	-0.008	0.452

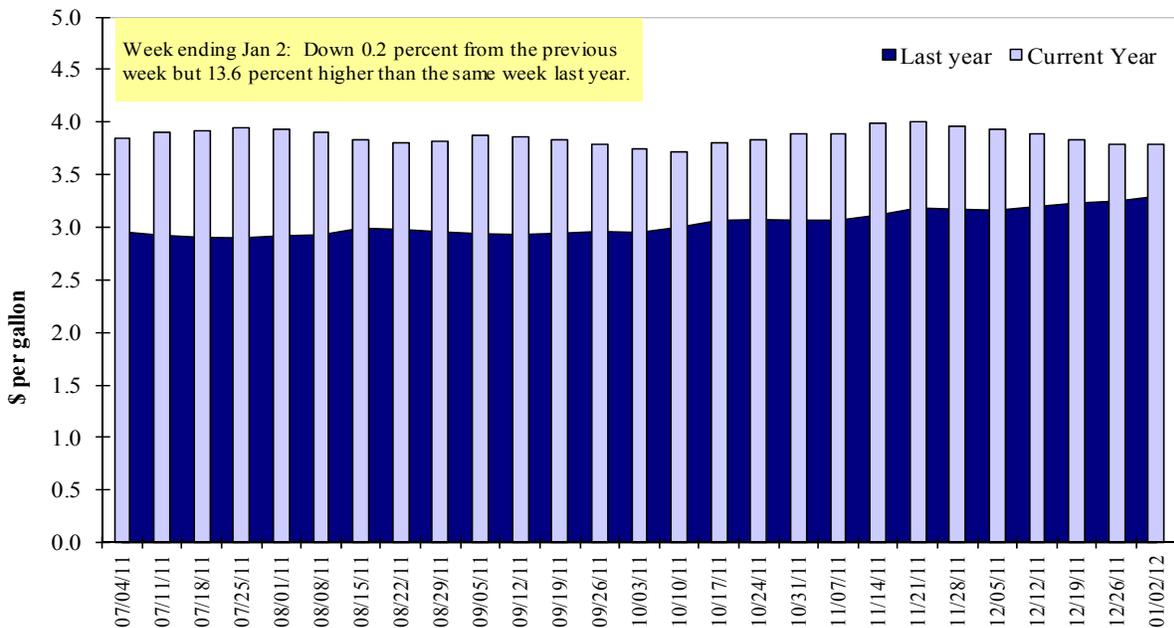
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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)

Week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
12/22/2011	1,368	688	1,182	1,082	55	4,375	11,178	9,779	25,332
This week year ago	4,048	836	2,521	1,238	114	8,758	12,059	14,623	35,440
Cumulative exports-marketing year²									
2011/12 YTD	6,070	1,958	3,930	2,780	347	15,084	13,195	14,060	42,339
2010/11 YTD	7,712	1,144	4,628	2,674	672	16,829	13,896	20,289	51,014
YTD 2011/12 as % of 2010/11	79	171	85	104	52	90	95	69	83
Last 4 wks as % of same period 2010/11	34	83	47	92	54	51	100	71	76
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385

¹ Current unshipped export sales to date

² Shipped export sales to date; the new marketing year is now in effect for corn and soybeans

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

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

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 12/22/11	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12 Current MY	2010/11 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	6,127	7,363	(17)	14,279
Mexico	5,496	3,946	39	7,019
Korea	2,404	3,378	(29)	6,104
Egypt	328	1,758	(81)	3,302
Taiwan	986	1,216	(19)	2,393
Top 5 importers	15,340	17,660	(13)	33,096
Total US corn export sales	24,372	25,955	(6)	46,610
% of Projected	60%	56%		
Change from Last Week	319	699		
Top 5 importers' share of U.S. corn export sales	63%	68%		
USDA forecast, December 2011	40,640	46,600	(13)	
Corn Use for Ethanol USDA forecast, Ethanol December 2011	127,000	127,534	(0.4)	

(n) indicates negative number.

¹ Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 12/22/2011	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12 Current MY	2010/11 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	16,808	22,133	(24)	24,445
Mexico	1,407	1,629	(14)	3,215
Japan	61	1,195	(95)	1,887
EU-25	350	1,416	(75)	2,607
Indonesia	650	836	(22)	1,397
Top 5 importers	19,275	27,208	(29)	33,551
Total US soybean export sales	23,838	34,912	(32)	40,690
% of Projected	67%	85%		
Change from last week	663	663		
Top 5 importers' share of U.S. soybean export sales	81%	78%		
USDA forecast, December 2011	35,380	40,860	(13)	
Soybean Use for Biodiesel USDA forecast, December 2011	8,632	5,995	44	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 12/22/2011	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12 Current MY	2010/11 Last MY		
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,348	2,316	1	3,233
Japan	2,461	2,586	(5)	3,148
Mexico	2,629	2,242	17	2,601
Philippines	1,713	1,720	(0)	1,518
Korea	1,083	1,265	(14)	1,111
Peru	563	700	(20)	923
Taiwan	621	606	2	913
Colombia	435	593	(27)	783
Indonesia	542	382	42	781
Yemen	272	463	(41)	659
Top 10 importers	12,664	12,871	(2)	15,670
Total US wheat export sales	19,460	25,586	(24)	33,439
% of Projected	77%	73%		
Change from last week	431	426		
Top 10 importers' share of U.S. wheat export sales	65%	50%		
USDA forecast, December 2011	25,170	35,080	(28)	

(n) indicates negative number.

¹Modified from the FAS 2010/11 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.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	Week ending 12/29/11	Previous Week ¹	Current Week as % of Previous	2011 YTD ¹	2010 YTD ¹	2011 YTD as % of 2010 YTD	Last 4-weeks as % of		Total ¹ 2010
							2010	3-yr. avg.	
Pacific Northwest									
Wheat	210	212	99	13,994	11,062	127	108	142	11,062
Corn	168	397	42	9,198	9,950	92	155	131	9,950
Soybeans	133	265	50	7,321	10,191	72	73	90	10,191
Total	512	875	59	30,512	31,203	98	105	119	31,203
Mississippi Gulf									
Wheat	80	49	162	5,031	4,199	120	52	84	4,199
Corn	362	417	87	26,267	29,794	88	89	113	29,794
Soybeans	659	617	107	19,262	22,519	86	82	83	22,519
Total	1,100	1,083	102	50,560	56,512	89	83	95	56,512
Texas Gulf									
Wheat	74	146	51	10,837	9,339	116	62	89	9,339
Corn	2	2	112	1,021	1,859	55	65	98	1,859
Soybeans	0	0	n/a	926	1,916	48	25	24	1,916
Total	77	149	52	12,784	13,115	97	54	71	13,115
Interior									
Wheat	0	23	1	1,110	926	120	104	112	926
Corn	81	192	42	7,497	6,388	117	79	169	6,388
Soybeans	46	85	54	4,265	3,641	117	109	136	3,641
Total	127	300	42	12,871	10,954	118	83	152	10,954
Great Lakes									
Wheat	0	0	n/a	1,038	1,897	55	65	113	1,897
Corn	0	0	n/a	178	119	149	56	43	119
Soybeans	21	25	85	382	655	58	103	231	655
Total	21	25	85	1,598	2,672	60	82	145	2,672
Atlantic									
Wheat	0	0	n/a	699	343	204	46	45	343
Corn	14	0	n/a	282	469	60	146	96	469
Soybeans	10	129	8	1,041	1,417	73	110	99	1,417
Total	24	129	19	2,022	2,229	91	104	93	2,229
U.S. total from ports²									
Wheat	364	431	84	32,709	27,765	118	79	112	27,765
Corn	627	1,008	62	44,442	48,580	91	109	124	48,580
Soybeans	870	1,120	78	33,196	40,340	82	82	87	40,340
Total	1,861	2,560	73	110,347	116,684	95	91	104	116,684

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

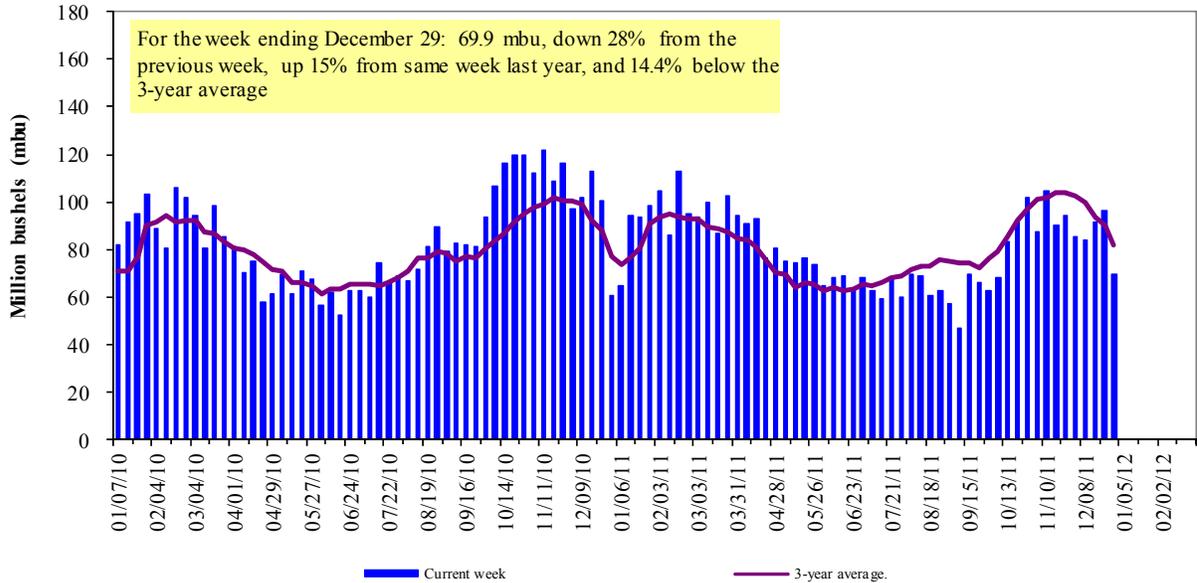
² Total includes only port regions shown above; Interior land-based shipments now included.

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 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2010.

Figure 14

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

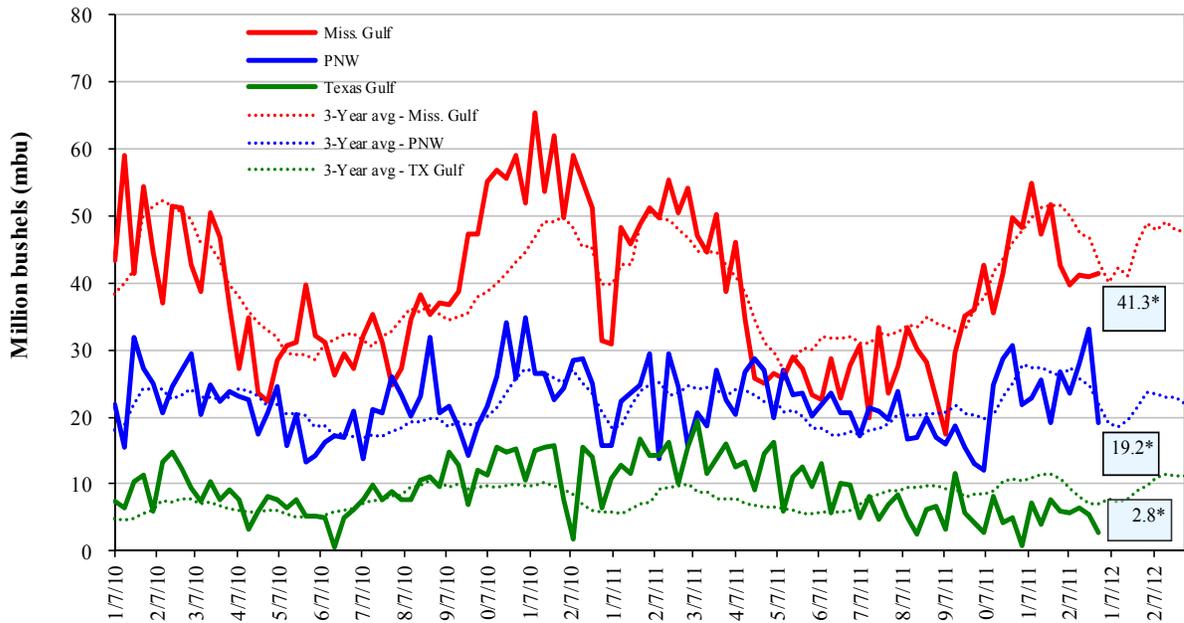


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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)



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

December 29 % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	up 1	down 48	down 5	down 42
Last year (same week)	up 32	down 56	up 17	up 23
3-yr avg (4-wk mov. avg.)	down 4	down 61	down 12	up 20

Ocean Transportation

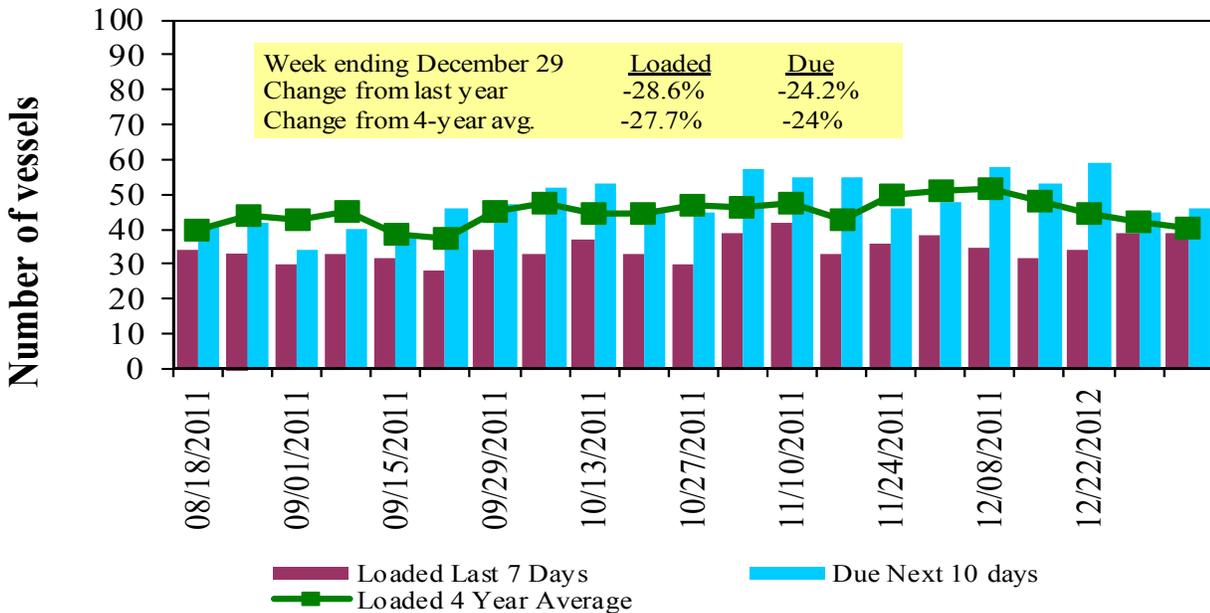
Table 17

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
12/29/2011	26	30	50	9	7
12/22/2011	22	39	46	10	5
2010 range	(15..69)	(30..57)	(33..84)	(4..24)	(2..20)
2010 avg.	41	42	58	12	11

Source: Transportation & Marketing Programs/AMS/USDA

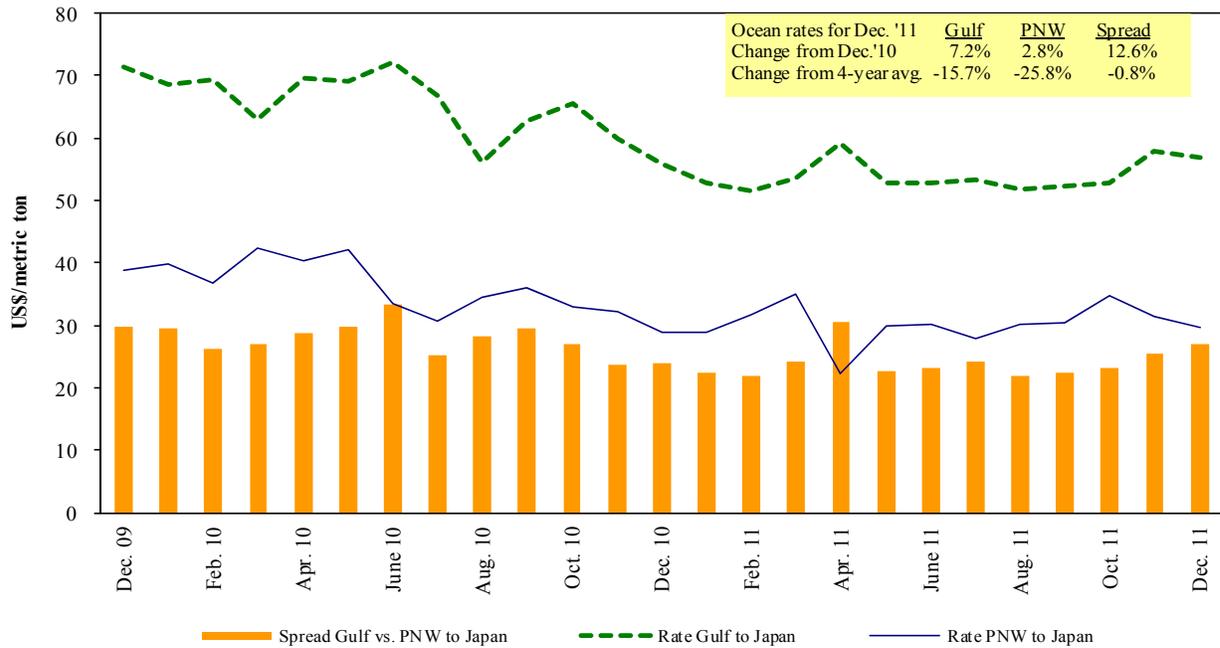
Figure 16
U.S. Gulf¹ Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 12/31/2011

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 20/30	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 15/30	55,000	55.50
U.S. Gulf	China	Heavy Grain	Dec 10/20	55,000	56.00
U.S. Gulf	China	Heavy Grain	Dec 1/30	55,000	51.00
U.S. Gulf	China	Heavy Grain	Oct 21/30	55,000	52.50
U.S. Gulf	China	Heavy Grain	Oct 5/10	60,000	59.00
U.S. Gulf	Korea	Grain	Nov 25/Dec 5	55,000	57.00
U.S. Gulf	Djibouti ¹	Wheat	Dec 5/15	35,800	125.25
PNW	China	Grain	Jan 10/20	55,000	26.75
PNW	China	Heavy Grain	Dec 5/20	6,500	26.00
River Plate	Algeria	Maize	Oct 20/30	25,000	36.00
Russia	Yemen	Grain	Dec 1/3	35,000	42.00

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

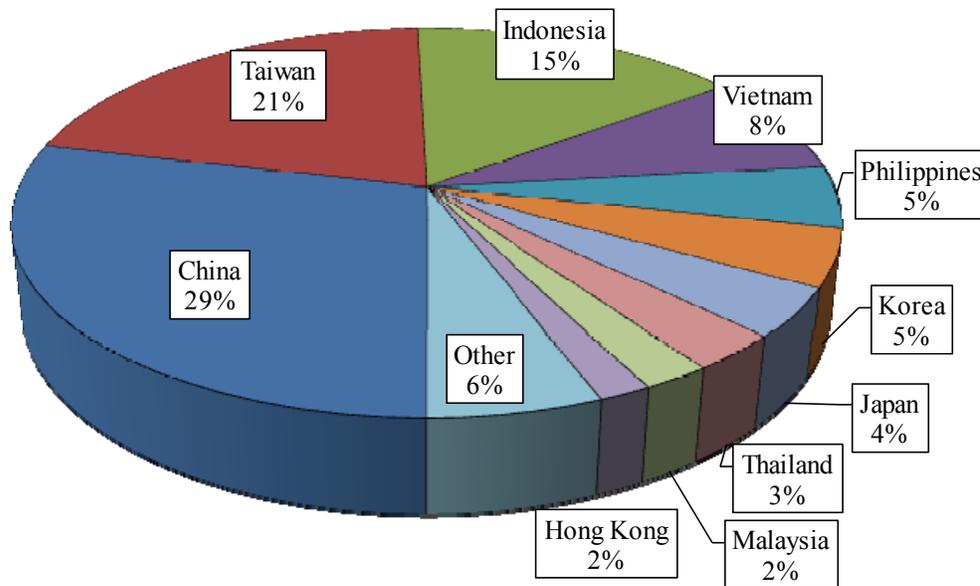
¹75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

In 2010, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 7 percent of U.S. grain exports to Asia. Asia is the top destination for U.S. containerized grain exports—94 percent in 2010.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, September 2011

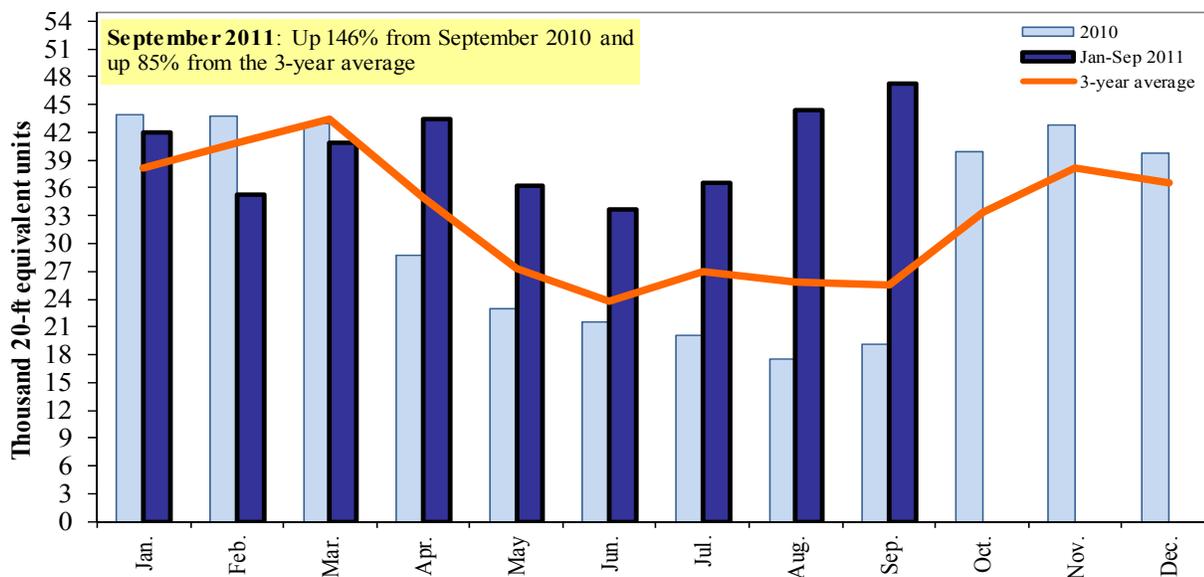


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 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 (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

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