



WEEKLY HIGHLIGHTS

January 6, 2011

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Cargill Allowed to Pursue Complaint on Excessive Fuel Surcharges

On Tuesday, the Surface Transportation Board (STB) issued a decision that allows Cargill to pursue its claim that BNSF is making excessive profits from its fuel surcharges. In the same decision, the STB rejected a claim by Cargill that BNSF was “double-dipping” in the way the carrier assessed fuel surcharges. This case is the second challenge to a railroad’s fuel surcharge program since the STB issued new fuel surcharge rules in January 2007. Cargill is a major shipper of food and other agricultural products.

Port of Seattle Begins Clean Truck Program

As of January 1, all trucks entering the Port of Seattle must adhere to the port’s new Clean Truck Program Guidelines aimed at reducing port-related truck emissions. Under the new program, trucks entering the port terminals must be model year 1994 or newer and must be registered in the port’s Drayage Truck Registry (DTR). Trucks must show their compliance with the program by displaying a Green Gateway sticker on the driver’s side door. According to a Port of Seattle press release, “The program was designed to support the goals of the Northwest Ports Clean Air Strategy, which aims to lower emissions from all sectors of maritime operations. As of January 3, over 5,929 trucks and over 1,100 trucking companies/truck owners are registered in the DTR.”

Grain Inspections Likely to Rebound

For the week ending December 30, **total inspections of grain** (corn, wheat, and soybeans) from all major U.S. export regions reached 1.12 million metric tons (mmt), down 50 percent from the previous week and 41 percent below last year at this time. Over the past several weeks, grain export inspections were revised upwards from the previous week by a range of 15 to 21 percent due to delays in reporting. It is likely that this week’s low inspections figure could be again revised higher in next week’s report. Outstanding export sales of grain remained high for corn, wheat, and soybeans (**Table 12**), which also indicates a possible increase in inspections in the coming weeks.

Snapshots by Sector

**Rail**

U.S. railroads originated 21,782 **carloads of grain** during the week ending December 25, down 11 percent from last week, up 44 percent from last year, and 7 percent higher than the 3-year average.

During the week ending December 30, average January non-shuttle **secondary railcar bids/offers** were \$49.50 above tariff, up \$55.50 from last week. Average shuttle rates were \$200 below tariff, the same as last week.

**Barge**

During the week ending January 1, **barge grain movements** totaled 568,750 tons, 34 percent lower than the previous week but 85 percent higher than the same period last year.

During the week ending January 1, 371 grain barges **moved down river**, down 32 percent from last week; 430 grain barges were **unloaded in New Orleans**, down 24 percent from the previous week.

**Fuel**

During the week ending January 3, U.S. average **diesel fuel prices** increased 4 cents per gallon to \$3.33—1 percent higher than the previous week, and 19 percent higher than the same week last year.

**Ocean**

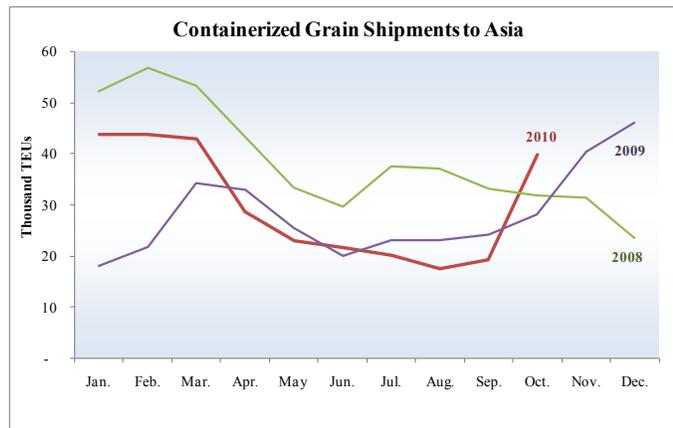
During the week ending December 30, 42 **ocean-going grain vessels** were loaded in the Gulf, down 13 percent from last year. Sixty-six vessels are expected to be loaded in the U.S. Gulf within the next 10 days, down 7 percent from last year.

# Feature Article/Calendar

## CONTAINERIZED GRAIN UPDATE

Competitive bulk ocean freight rates, a large and early fall harvest, and strong global demand for U.S. grain products resulted in a jump for containerized grain shipments to Asia during October. This bump in October shipments was welcome after weak overall volume moved throughout the spring and summer. This fall increase was aided by early retail holiday imports, which provided a larger container pool for export cargoes. Continued global economic recovery in 2011 should encourage U.S. exports, which will increase demand for containerized transportation services.

October containerized grain shipments to Asia reached nearly 40,000 twenty-foot equivalent units (TEUs), 15 percent over the 3-year average and 108 percent higher than September movements. This year's October shipments surpassed volumes during the same month in both 2008 and 2009 (see figure). Year-to-date (Jan-Oct) containerized grain exports are 20 percent higher than the same timeframe in 2009 despite slow shipments during the spring and summer months. Summer shipments were the lowest in the past 3 years due to weaker demand for these products; however, strong fall demand from Asia during the third quarter combined with strong movements at the beginning of the year should help annual totals surpass last year's levels.



### ***Competitive Rates Between the Ocean Freight Options***

The main driving force for containerized grain movements this year has been the competition with bulk freight options. Low bulk and container ocean rates have grain exporters considering both containerized and bulk options. Some exporters report that container and bulk freight rates were very competitive during the peak harvest season this year (October through early November), but bulk loading capacity constraints at some export elevators encouraged the use of containers during this time. Overcapacity in the bulk vessel fleet has kept bulk rates relatively low this year and these competitive forces have kept containerized rates low as well, as the container carriers compete for these export cargoes. Container rate increases originally planned for September and October have been postponed until early 2011, likely after the first quarter. As 2010 came to an end, bulk freight rates fell faster than container rates causing containerized shipments to become less attractive for December and January shipments.

### ***Container Supply and Service Challenges***

As is typical for this time of year, retail containerized imports are falling and container carriers are adjusting vessel service and fleet operations for the slower season. These practices tend to reduce the supply of available containers and make finding available vessel capacity challenging for agricultural exports. During 2011, some container carriers report that they will be operating in an overcapacity situation as newly built vessels are received in addition to the vessels brought into service last year. As a result, slow season vessel storage will likely occur and could cause some service interruptions. Availability of containers for export could be tight over the next few months—particularly in the traditionally deficit locations such as Minneapolis and the Pacific Northwest—depending on demand for U.S. products and price signals in the market place.

***Outlook for 2011***

As we look into 2011, forecasters such as Global Insight predict continued slow but steady economic recovery. Continued growth of Asian economies will help fuel demand for U.S. products, particularly containerized grain and other U.S. high-valued, containerized products. These conditions will likely spur more export cargo, and therefore, additional container supply and service concerns will likely occur. The encouraging news, however, is that some carriers are looking to increase business in the steadily growing U.S. export markets to compensate for the slowly recovering consumer imports.

[April.Taylor@ams.usda.gov](mailto:April.Taylor@ams.usda.gov).

# Grain Transportation Indicators

Table 1  
Grain Transport Cost Indicators<sup>1</sup>

Week ending	Truck	Rail <sup>2</sup>	Barge	Ocean	
				Gulf	Pacific
01/05/11	206	143	229	n/a	n/a
12/29/10	221	83	268	233	191

<sup>1</sup>Indicator: 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)

<sup>2</sup>The 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)

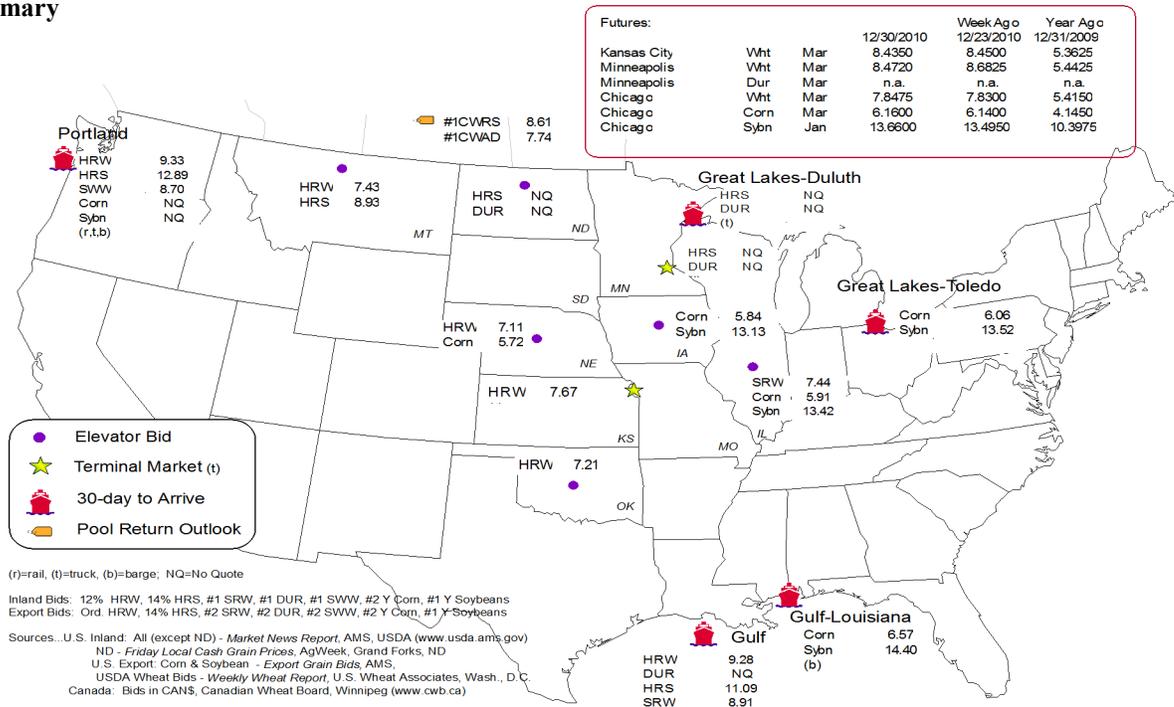
Commodity	Origin--Destination	12/31/2010	12/24/2010
Corn	IL--Gulf	-0.66	-0.68
Corn	NE--Gulf	-0.85	-0.85
Soybean	IA--Gulf	-1.27	-1.26
HRW	KS--Gulf	-1.61	-1.41
HRS	ND--Portland	n/a	-4.28

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)<sup>1</sup>

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
12/29/2010 <sup>p</sup>	1,092	1,626	464	3,178	436	6,796
12/22/2010 <sup>r</sup>	1,110	2,130	788	3,872	978	8,878
2010 YTD	33,971	83,492	42,755	177,895	32,780	370,893
2009 YTD	33,423	57,646	36,738	175,965	30,328	334,100
2010 YTD as % of 2009 YTD	102	145	116	101	108	111
Last 4 weeks as % of 2009 <sup>2</sup>	199	137	97	107	64	113
Last 4 weeks as % of 4-year avg. <sup>2</sup>	103	122	94	99	93	103
Total 2009	33,423	57,646	36,738	175,965	30,328	334,100
Total 2008	68,768	107,542	37,491	255,852	33,028	502,681

<sup>1</sup> Data is incomplete as it is voluntarily provided

<sup>2</sup> Compared with same 4-weeks in 2009 and prior 4-year average.

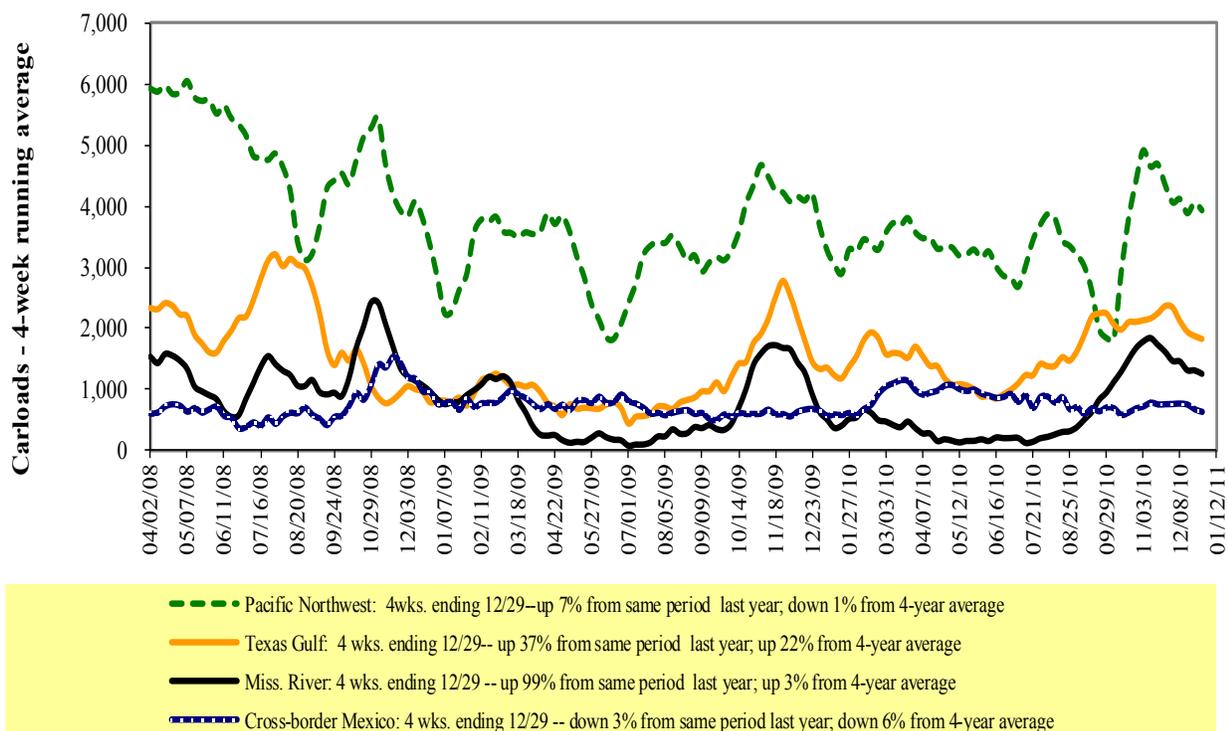
**YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available**

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

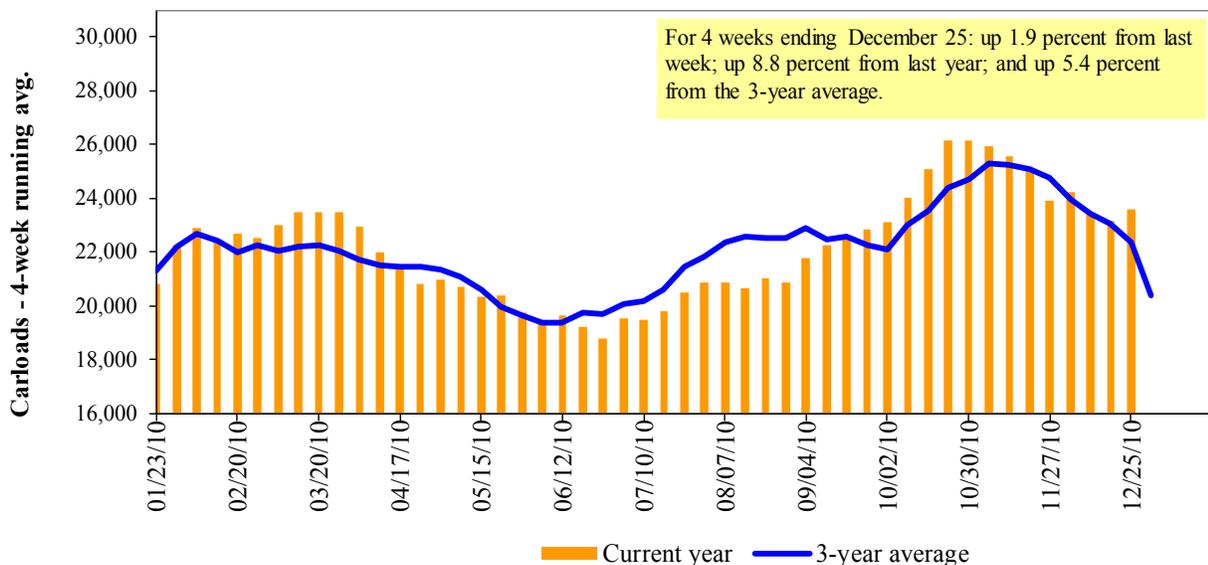
Table 4

**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
12/25/10	2,629	2,934	10,105	468	5,646	21,782	3,575	4,665
This week last year	1,520	1,889	7,596	524	3,633	15,162	2,603	3,579
2010 YTD	110,044	157,180	538,741	35,405	290,370	1,131,740	200,310	262,314
2009 YTD	103,607	139,777	475,318	36,533	263,971	1,019,206	197,757	275,710
2010 YTD as % of 2009 YTD	106	112	113	97	110	111	101	95
Last 4 weeks as % of 2009 <sup>1</sup>	105	103	110	94	113	109	128	100
Last 4 weeks as % of 3-yr avg.	90	106	107	92	112	105	98	96
Total 2009	105,278	142,254	483,618	36,912	268,811	1,036,873	200,871	278,997

<sup>1</sup>As 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

**Rail Car Auction Offerings<sup>1</sup> (\$/car)<sup>2</sup>**

Week ending	Delivery period							
	Jan-11	Jan-10	Feb-11	Feb-10	Mar-11	Mar-10	Apr-11	Apr-10
<b>12/30/2010</b>								
BNSF <sup>3</sup>								
COT grain units	no offer	2	no offer	no bids	no bids	0	no bids	0
COT grain single-car <sup>5</sup>	0	4 . . 15	11	0 . . 1	4	0	no bids	no bids
UP <sup>4</sup>								
GCAS/Region 1	1	no bids	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

<sup>1</sup>Auction offerings are for single-car and unit train shipments only.

<sup>2</sup>Average premium/discount to tariff, last auction

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

<sup>4</sup>UP - GCAS = Grain Car Allocation System

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

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

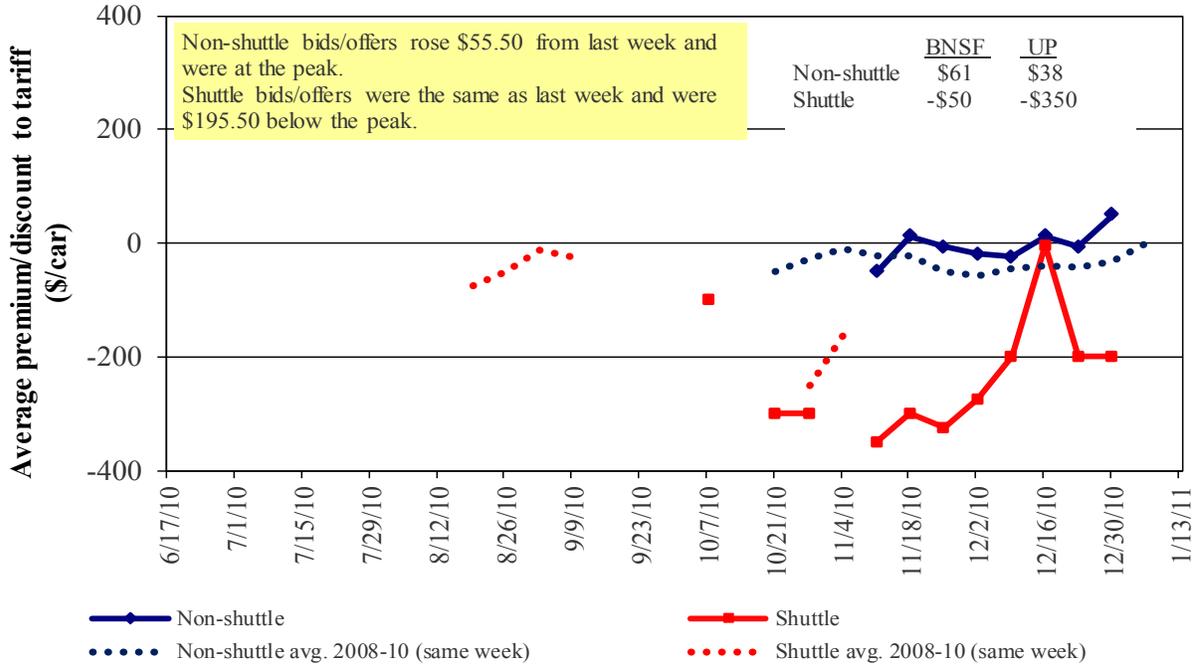
<sup>5</sup>Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

**Bids/Offers for Railcars to be Delivered in January 2011, Secondary Market**

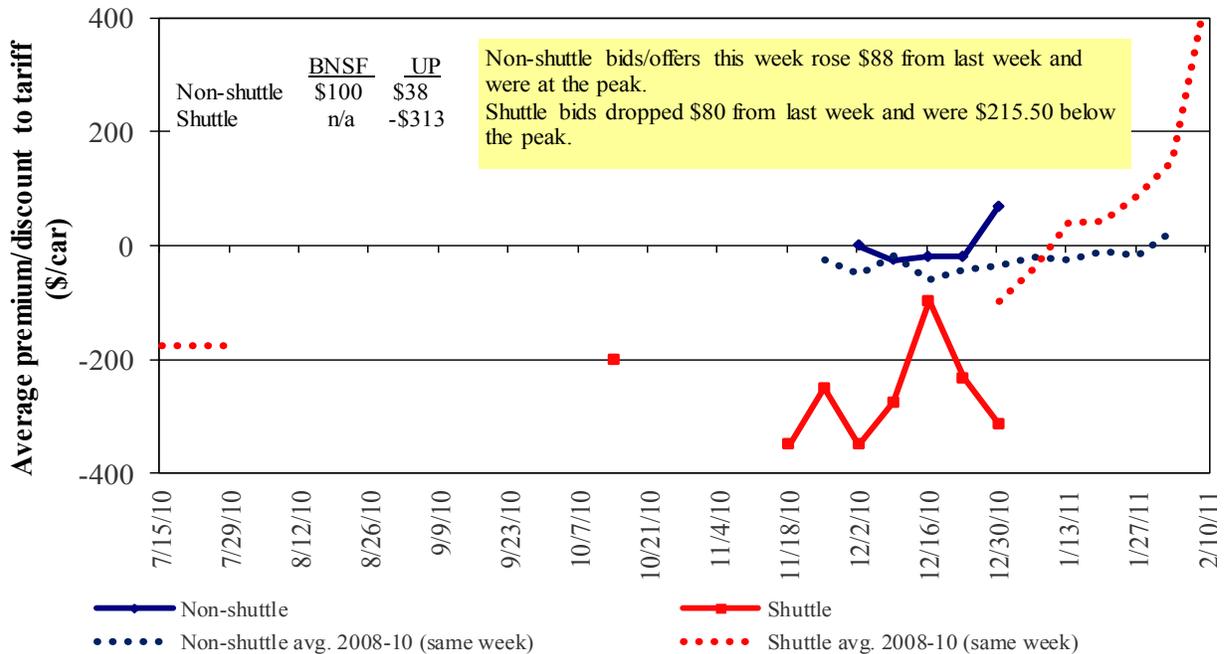


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

**Bids/Offers for Railcars to be Delivered in February 2011, Secondary Market**

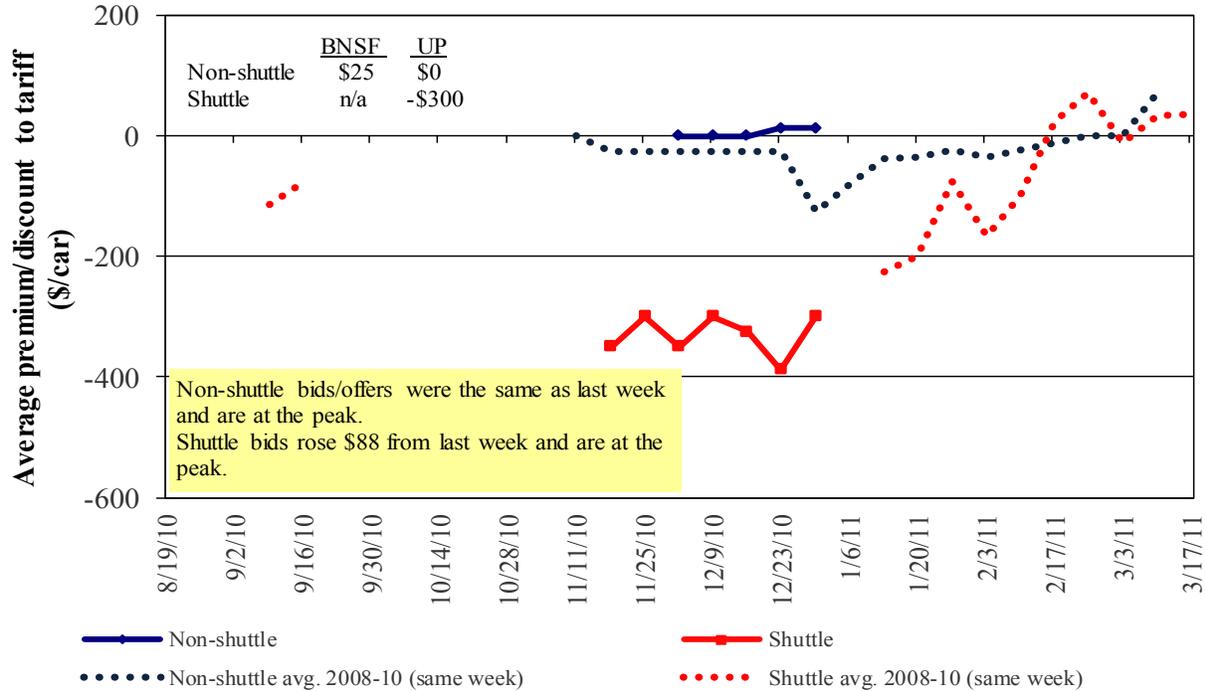


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

**Bids/Offers for Railcars to be Delivered in March 2011, Secondary Market**



Source: Transportation & Marketing Programs/AMS/USDA

Table 6

**Weekly Secondary Rail Car Market (\$/car)<sup>1</sup>**

Week ending	Delivery period					
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
<b>12/30/2010</b>						
<b>Non-shuttle</b>						
BNSF-GF	61	100	25	n/a	n/a	n/a
Change from last week	48	138	-	n/a	n/a	n/a
Change from same week 2009	23	50	n/a	n/a	n/a	n/a
UP-Pool	38	38	-	n/a	n/a	n/a
Change from last week	63	38	-	n/a	n/a	n/a
Change from same week 2009	55	88	n/a	n/a	n/a	n/a
<b>Shuttle<sup>2</sup></b>						
BNSF-GF	(50)	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 2009	(434)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(350)	(313)	(300)	n/a	n/a	n/a
Change from last week	(150)	(80)	88	n/a	n/a	n/a
Change from same week 2009	(450)	n/a	n/a	n/a	n/a	n/a

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

<sup>2</sup> 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 Shipments<sup>1</sup>**

Effective date:							
1/3/2011	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		
					metric ton	bushel <sup>2</sup>	
<b>Unit train</b>							
Wheat	Wichita, KS	St. Louis, MO	\$2,774	\$106	\$28.60	\$0.78	
	Grand Forks, ND	Duluth-Superior, MN	\$2,563	\$143	\$26.87	\$0.73	
	Wichita, KS	Los Angeles, CA	\$5,047	\$734	\$57.41	\$1.56	
	Wichita, KS	New Orleans, LA	\$3,275	\$187	\$34.38	\$0.94	
	Sioux Falls, SD	Galveston-Houston, TX	\$4,981	\$603	\$55.45	\$1.51	
	Northwest KS	Galveston-Houston, TX	\$3,543	\$205	\$37.22	\$1.01	
	Amarillo, TX	Los Angeles, CA	\$3,742	\$285	\$39.99	\$1.09	
Corn	Champaign-Urbana, IL	New Orleans, LA	\$2,812	\$211	\$30.02	\$0.82	
	Toledo, OH	Raleigh, NC	\$3,760	\$251	\$39.83	\$1.08	
	Des Moines, IA	Davenport, IA	\$1,843	\$45	\$18.75	\$0.51	
	Indianapolis, IN	Atlanta, GA	\$3,196	\$189	\$33.61	\$0.91	
	Indianapolis, IN	Knoxville, TN	\$2,760	\$121	\$28.61	\$0.78	
	Des Moines, IA	Little Rock, AR	\$2,938	\$131	\$30.48	\$0.83	
	Des Moines, IA	Los Angeles, CA	\$4,372	\$383	\$47.22	\$1.29	
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,381	\$216	\$35.72	\$0.97	
	Toledo, OH	Huntsville, AL	\$2,921	\$178	\$30.78	\$0.84	
	Indianapolis, IN	Raleigh, NC	\$3,830	\$253	\$40.54	\$1.10	
	Indianapolis, IN	Huntsville, AL	\$2,613	\$121	\$27.15	\$0.74	
	Champaign-Urbana, IL	New Orleans, LA	\$3,156	\$211	\$33.44	\$0.91	
<b>Shuttle Train</b>							
Wheat	Great Falls, MT	Portland, OR	\$2,868	\$422	\$32.68	\$0.89	
	Wichita, KS	Galveston-Houston, TX	\$2,867	\$329	\$31.74	\$0.86	
	Chicago, IL	Albany, NY	\$3,497	\$235	\$37.07	\$1.01	
	Grand Forks, ND	Portland, OR	\$4,131	\$730	\$48.27	\$1.31	
	Grand Forks, ND	Galveston-Houston, TX	\$5,046	\$760	\$57.65	\$1.57	
Corn	Northwest KS	Portland, OR	\$4,510	\$336	\$48.12	\$1.31	
	Minneapolis, MN	Portland, OR	\$4,120	\$888	\$49.74	\$1.35	
	Sioux Falls, SD	Tacoma, WA	\$4,120	\$814	\$48.99	\$1.33	
	Champaign-Urbana, IL	New Orleans, LA	\$2,677	\$211	\$28.68	\$0.78	
	Lincoln, NE	Galveston-Houston, TX	\$2,880	\$474	\$33.31	\$0.91	
	Des Moines, IA	Amarillo, TX	\$3,330	\$165	\$34.71	\$0.94	
	Minneapolis, MN	Tacoma, WA	\$4,120	\$881	\$49.67	\$1.35	
	Council Bluffs, IA	Stockton, CA	\$3,480	\$912	\$43.61	\$1.19	
	Soybeans	Sioux Falls, SD	Tacoma, WA	\$4,320	\$814	\$50.98	\$1.39
		Minneapolis, MN	Portland, OR	\$4,270	\$888	\$51.23	\$1.39
Fargo, ND		Tacoma, WA	\$4,270	\$723	\$49.59	\$1.35	
Council Bluffs, IA		New Orleans, LA	\$3,510	\$244	\$37.28	\$1.01	
Toledo, OH		Huntsville, AL	\$2,536	\$178	\$26.95	\$0.73	
Grand Island, NE	Portland, OR	\$4,520	\$344	\$48.30	\$1.31		

<sup>1</sup>A 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.

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

<sup>3</sup>Percentage 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 <sup>1</sup>	Fuel	Tariff plus surcharge per:		Percent change Y/Y <sup>4</sup>
				surcharge per car <sup>2</sup>	metric ton <sup>3</sup>	bushel <sup>3</sup>	
Wheat	MT	Chihuahua, CI	\$6,854	\$772	\$77.92	\$2.12	11
	OK	Cuautitlan, EM	\$6,191	\$613	\$69.52	\$1.89	10
	KS	Guadalajara, JA	\$6,825	\$890	\$78.83	\$2.14	12
	TX	Salinas Victoria, NL	\$3,433	\$208	\$37.20	\$1.01	12
Corn	IA	Guadalajara, JA	\$7,056	\$901	\$81.29	\$2.06	9
	SD	Penjamo, GJ	\$6,619	\$1,010	\$77.95	\$1.98	4
	NE	Queretaro, QA	\$6,240	\$626	\$70.16	\$1.78	3
	SD	Salinas Victoria, NL	\$4,785	\$768	\$56.73	\$1.44	7
	MO	Tlalnepantla, EM	\$5,428	\$610	\$61.70	\$1.57	4
	SD	Torreón, CU	\$5,681	\$846	\$66.69	\$1.69	8
Soybeans	MO	Bojay (Tula), HG	\$6,351	\$771	\$72.77	\$1.98	7
	NE	Guadalajara, JA	\$7,166	\$876	\$82.17	\$2.23	14
	IA	El Castillo, JA <sup>5</sup>	\$7,352	\$1,004	\$85.38	\$2.32	12
	KS	Torreón, CU	\$5,800	\$571	\$65.09	\$1.77	13
Sorghum	OK	Cuautitlan, EM	\$4,729	\$767	\$56.15	\$1.42	11
	TX	Guadalajara, JA	\$5,781	\$657	\$65.78	\$1.67	11
	NE	Penjamo, GJ	\$6,407	\$793	\$73.57	\$1.87	2
	KS	Queretaro, QA	\$5,641	\$470	\$62.44	\$1.58	5
	NE	Salinas Victoria, NL	\$4,500	\$484	\$50.92	\$1.29	5
	NE	Torreón, CU	\$5,546	\$625	\$63.05	\$1.60	7

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

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

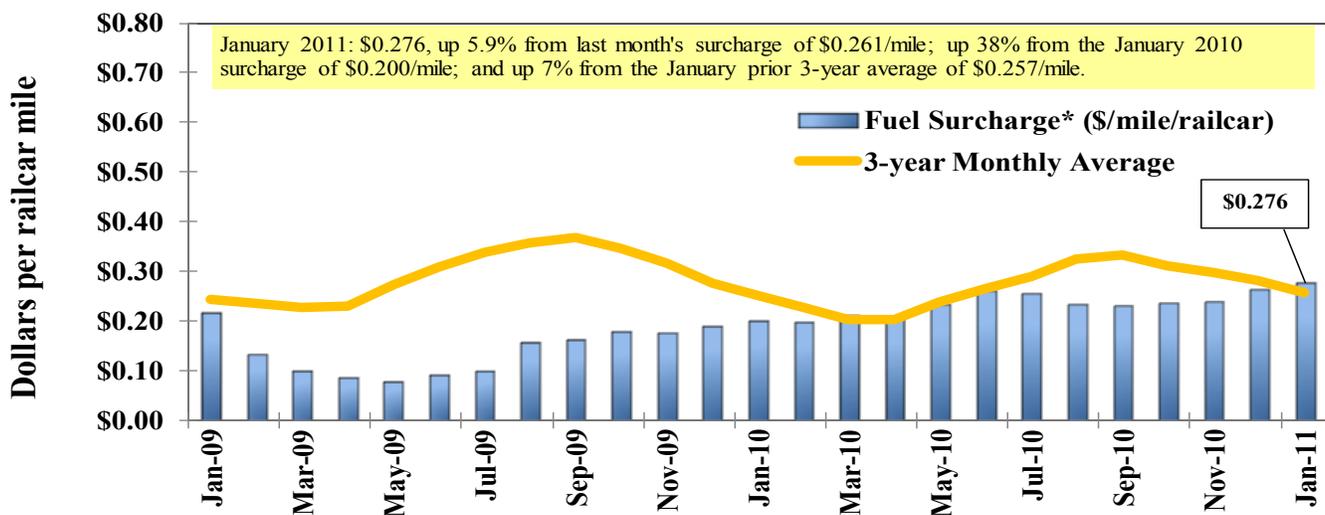
<sup>3</sup>Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

<sup>4</sup>Percentage change year over year calculated using tariff rate plus fuel surcharge

<sup>5</sup>Beginning 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 Average<sup>1</sup>**

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

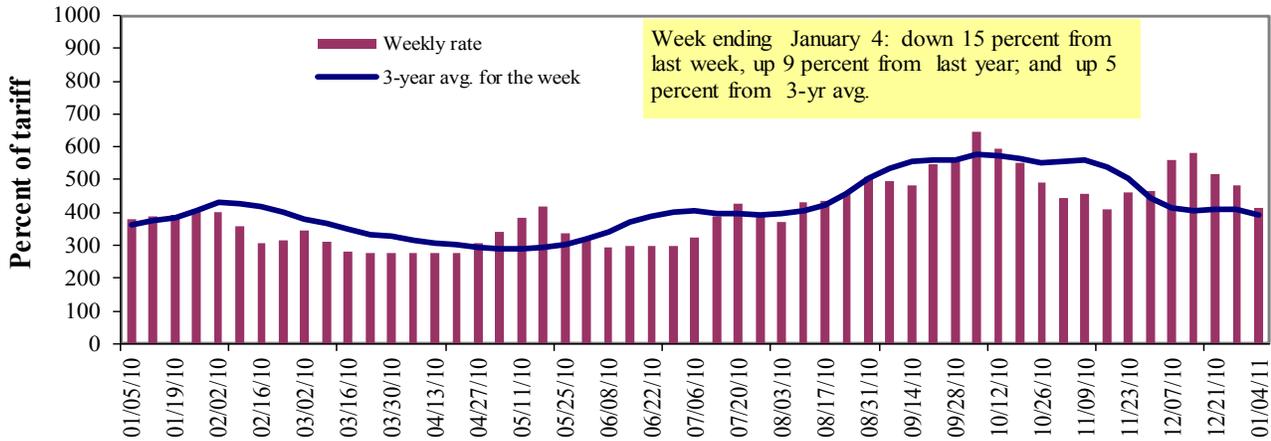
\* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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<sup>1,2</sup>



<sup>1</sup>Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); <sup>2</sup>4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

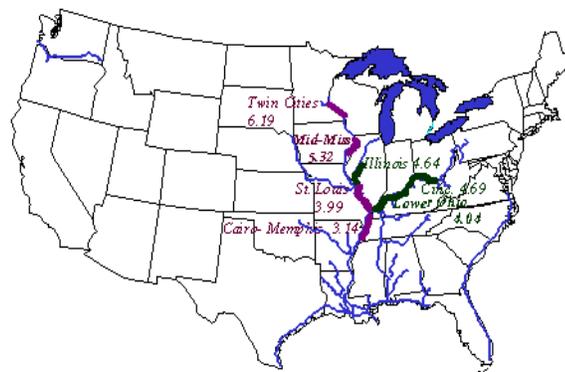
### Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate <sup>1</sup>	1/4/2011	-	-	413	301	378	378	278
	12/28/2010	-	-	483	340	408	408	297
\$/ton	1/4/2011	-	-	19.16	12.01	17.73	15.27	8.73
	12/28/2010	-	-	22.41	13.57	19.14	16.48	9.33
<b>Current week % change from the same week:</b>								
	Last year	-	-	9	11	22	22	19
	3-year avg. <sup>2</sup>	-	-	5	1	13	13	10
Rate <sup>1</sup>	February	-	-	400	295	356	356	261
	April	413	371	359	280	344	344	254

<sup>1</sup>Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); <sup>2</sup>4-week moving average; ton = 2,000 pounds.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9  
Benchmark tariff rates



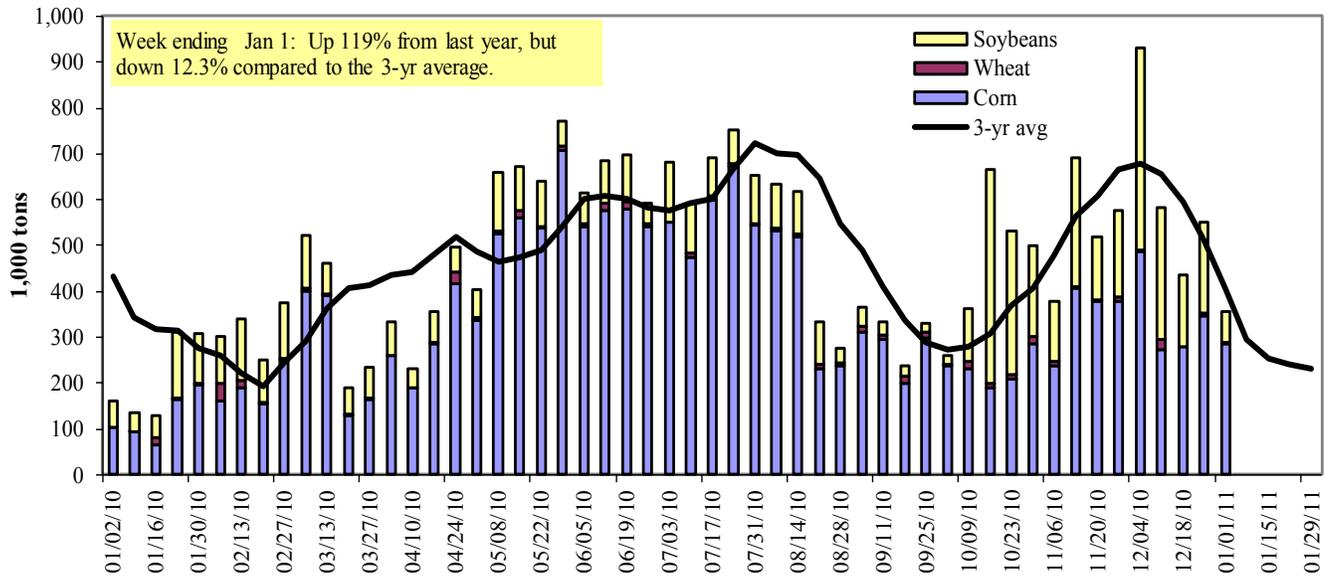
### Calculating barge rate per ton:

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

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Figure 10

**Barge Movements on the Mississippi River<sup>1</sup> (Locks 27 - Granite City, IL)**



<sup>1</sup> The 3-year average is a 4-week moving average.

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

Table 10

**Barge Grain Movements (1,000 tons)**

Week ending 1/01/2011	Corn	Wheat	Soybeans	Other	Total
<b>Mississippi River</b>					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	9	0	0	0	9
Alton, IL (L26)	284	3	67	3	357
Granite City, IL (L27)	285	3	67	3	358
<b>Illinois River (L8)</b>	213	6	58	0	277
<b>Ohio River (L52)</b>	68	16	78	3	165
<b>Arkansas River (L1)</b>	0	7	35	4	46
Weekly total - 2010	353	26	180	10	569
Weekly total - 2009	136	13	152	7	307
2010 YTD <sup>1</sup>	22,904	1,233	10,525	488	35,148
2009 YTD	136	13	152	7	307
2010 as % of 2009 YTD	16,870	9,762	6,933	6,967	11,442
Last 4 weeks as % of 2009 <sup>2</sup>	88	164	133	118	106
Total 2009	23,424	1,501	10,465	430	35,819

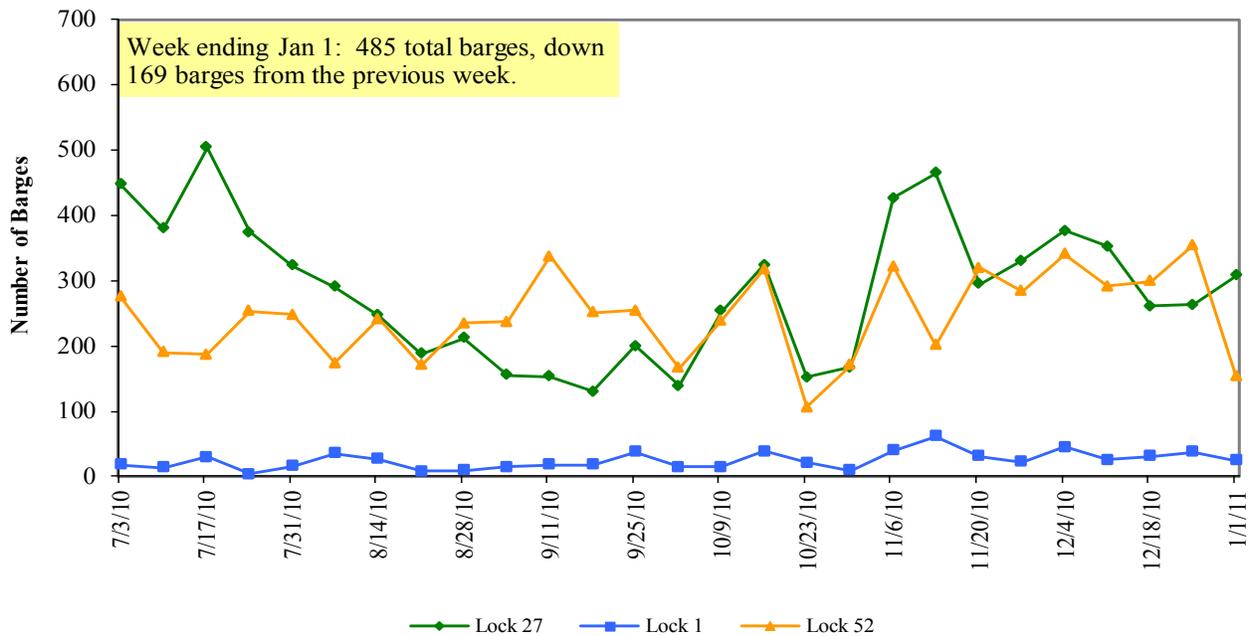
<sup>1</sup> Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

<sup>2</sup> As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

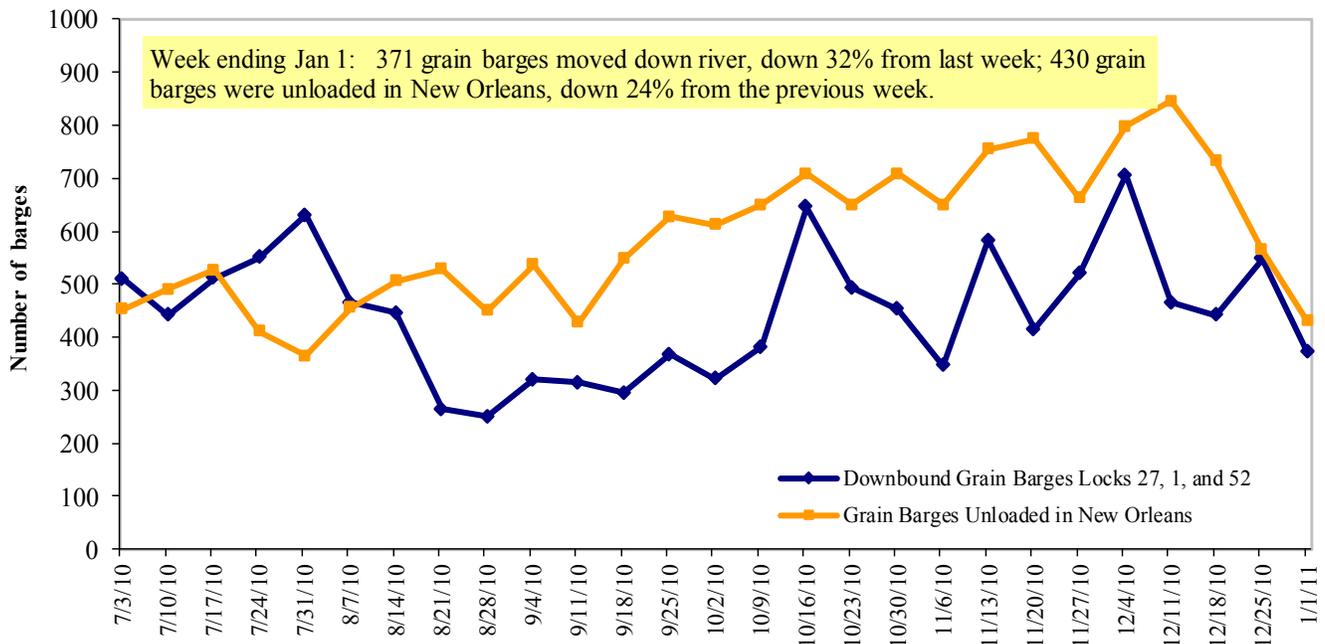
Source: U.S. Army Corps of Engineers ([www.mvr.usace.army.mil/mvrmi/omni/webprts/default.asp](http://www.mvr.usace.army.mil/mvrmi/omni/webprts/default.asp))

**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 Prices<sup>1</sup>, Week Ending 1/3/2011 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.357	0.044	0.530
	New England	3.427	0.021	0.492
	Central Atlantic	3.470	0.042	0.538
	Lower Atlantic	3.303	0.047	0.531
II	Midwest <sup>2</sup>	3.303	0.025	0.532
III	Gulf Coast <sup>3</sup>	3.279	0.053	0.529
IV	Rocky Mountain	3.332	0.021	0.586
	West Coast	3.443	0.038	0.535
V	California	3.507	0.037	0.548
	Total	U.S.	3.331	0.037

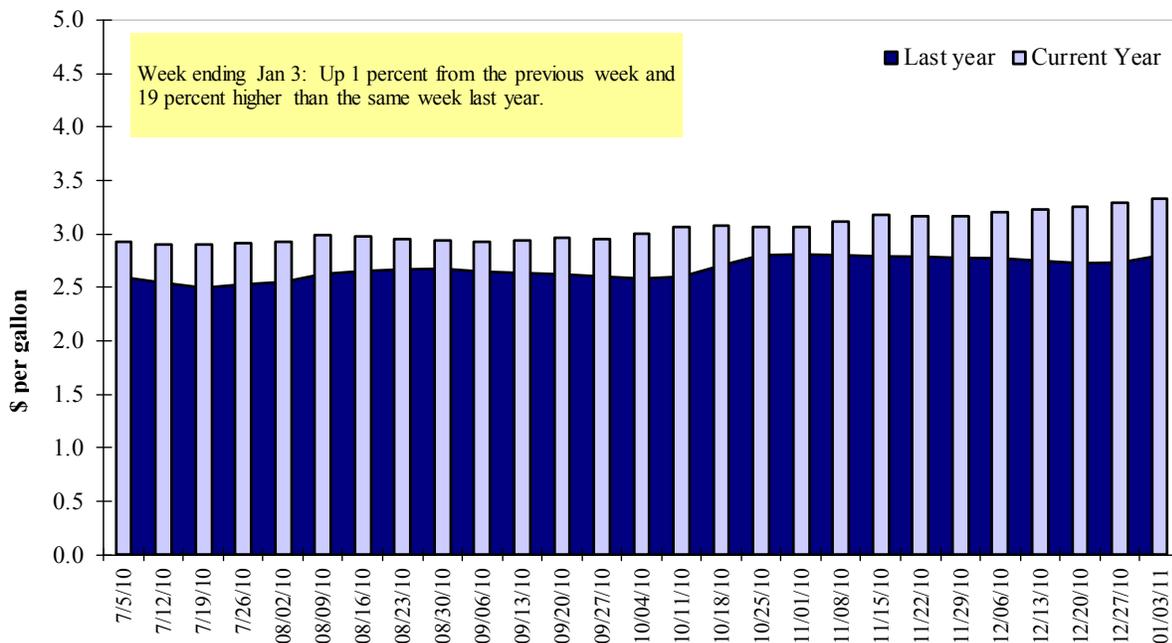
<sup>1</sup>Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

<sup>2</sup>Same as North Central <sup>3</sup>Same as South Central

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

Figure 13

## Weekly Diesel Fuel Prices, U.S. Average



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

# Grain Exports

Table 12

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

Week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
<b>Export Balances<sup>1</sup></b>									
12/23/2010	4,048	836	2,521	1,238	114	8,758	12,059	14,623	35,440
This week year ago	1,406	502	955	724	241	3,828	11,593	12,970	28,391
<b>Cumulative exports-marketing year<sup>2</sup></b>									
2010/11 YTD	7,712	1,144	4,689	2,674	677	16,896	13,954	20,354	51,204
2009/10 YTD	4,434	1,762	2,895	2,394	645	12,131	13,420	18,512	44,063
YTD 2010/11 as % of 2009/10	174	65	162	112	105	139	104	110	116
Last 4 wks as % of same period 2008/09	279	163	278	175	56	230	106	119	129
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385
2008/09 Total	11,244	5,100	5,408	3,420	454	25,626	44,650	33,705	103,981

<sup>1</sup> Current unshipped export sales to date

<sup>2</sup> Shipped export sales to date; the new marketing year 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 Importers<sup>1</sup> of U.S. Corn

Week ending 12/23/10	Total Commitments <sup>2</sup>		% change current MY from last MY	Exports <sup>3</sup> 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	7,420	6,724	10	14,343
Mexico	3,946	5,088	(22)	7,999
Korea	3,378	3,268	3	7,562
Taiwan	1,216	1,543	(21)	2,949
Egypt	1,758	880	100	2,935
<b>Top 5 importers</b>	<b>17,717</b>	<b>17,502</b>	<b>1</b>	<b>35,788</b>
<b>Total US corn export sales</b>	<b>26,013</b>	<b>25,013</b>	<b>4</b>	<b>50,460</b>
% of Projected	53%	50%		
Change from Last Week	757	773		
<b>Top 5 importers' share of U.S. corn export sales</b>	68%	70%		
<b>USDA forecast, December 2010</b>	<b>49,530</b>	<b>50,460</b>	<b>(2)</b>	
<b>Corn Use for Ethanol USDA forecast, Ethanol December 2010</b>	<b>121,920</b>	<b>116,027</b>	<b>5</b>	

(n) indicates negative number.

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

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

<sup>3</sup> FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.

Table 14

**Top 5 Importers<sup>1</sup> of U.S. Soybeans**

Week ending 12/23/10	Total Commitments <sup>2</sup>		% change current MY from last MY	Exports <sup>3</sup> 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	22,133	19,304	15	22,454
Mexico	1,629	1,426	14	3,276
Japan	1,195	1,386	(14)	2,347
EU-25	1,481	1,521	(3)	2,647
Taiwan	785	1,079	(27)	1,556
<b>Top 5 importers</b>	<b>27,223</b>	<b>24,716</b>	<b>10</b>	<b>32,280</b>
<b>Total US soybean export sales</b>	<b>34,977</b>	<b>31,481</b>	<b>11</b>	<b>40,850</b>
% of Projected	81%	77%		
Change from last week	663	790		
<b>Top 5 importers' share of U.S. soybean export sales</b>	78%	79%		
<b>USDA forecast, December 2010</b>	<b>43,270</b>	<b>40,850</b>	<b>6</b>	
<b>Soybean Use for Biodiesel USDA forecast, December 2010</b>	<b>6,954</b>	<b>4,076</b>	<b>71</b>	

(n) indicates negative number.

<sup>1</sup>Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.<sup>3</sup>FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.

Table 15

**Top 10 Importers<sup>1</sup> of All U.S. Wheat**

Week Ending 12/23/2010	Total Commitments <sup>2</sup>		% change current MY from last MY	Exports <sup>3</sup> 2009/10
	2010/11 Current MY	2009/10 Last MY		
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,316	2,205	5	3,233
Japan	2,586	2,175	19	3,148
Mexico	2,242	1,363	64	1,975
Philippines	1,720	1,318	30	1,518
Korea, South	1,265	879	44	1,111
Taiwan	606	574	6	844
Venezuela	488	420	16	658
Colombia	593	449	32	575
Peru	700	389	80	567
Egypt	2,565	456	463	529
<b>Top 10 importers</b>	<b>15,079</b>	<b>10,227</b>	<b>47</b>	<b>14,156</b>
<b>Total US wheat export sales</b>	<b>25,653</b>	<b>15,959</b>	<b>61</b>	<b>23,980</b>
% of Projected	75%	67%		
Change from last week	431	370		
<b>Top 10 importers' share of U.S. wheat export sales</b>	59%	64%		
<b>USDA forecast, December 2010</b>	<b>34,020</b>	<b>23,980</b>	<b>42</b>	

(n) indicates negative number.

<sup>1</sup>Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.<sup>3</sup>FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.

Table 16

**Grain Inspections for Export by U.S. Port Region (1,000 metric tons)**

Port regions	Week ending 12/30/10	Previous Week <sup>1</sup>	Current Week as % of Previous	2010 YTD <sup>1</sup>	2009 YTD <sup>1</sup>	2010 YTD as % of 2009 YTD	Last 4-weeks as % of		Total <sup>1</sup> 2009
							2009	3-yr. avg.	
<b>Pacific Northwest</b>									
Wheat	97	260	37	11,026	9,986	110	131	130	10,091
Corn	0	194	0	9,785	8,239	119	65	74	8,498
Soybeans	127	75	170	9,957	9,686	103	77	99	9,743
<b>Total</b>	<b>224</b>	<b>529</b>	<b>42</b>	<b>30,769</b>	<b>27,912</b>	<b>110</b>	<b>87</b>	<b>100</b>	<b>28,332</b>
<b>Mississippi Gulf</b>									
Wheat	32	124	26	4,193	3,927	107	237	226	4,019
Corn	371	673	55	29,720	28,460	104	152	119	28,843
Soybeans	339	548	62	22,374	20,043	112	82	113	21,831
<b>Total</b>	<b>742</b>	<b>1,344</b>	<b>55</b>	<b>56,287</b>	<b>52,430</b>	<b>107</b>	<b>109</b>	<b>120</b>	<b>54,693</b>
<b>Texas Gulf</b>									
Wheat	149	128	117	9,269	5,622	165	144	171	5,735
Corn	0	94	0	1,859	1,946	96	136	100	1,968
Soybeans	0	124	0	1,916	2,351	82	57	139	2,402
<b>Total</b>	<b>149</b>	<b>345</b>	<b>43</b>	<b>13,045</b>	<b>9,919</b>	<b>132</b>	<b>105</b>	<b>150</b>	<b>10,105</b>
<b>Great Lakes</b>									
Wheat	0	24	0	1,897	990	192	451	187	990
Corn	0	19	0	119	353	34	56	45	353
Soybeans	0	0	n/a	655	781	84	474	502	781
<b>Total</b>	<b>0</b>	<b>43</b>	<b>0</b>	<b>2,672</b>	<b>2,124</b>	<b>126</b>	<b>296</b>	<b>198</b>	<b>2,124</b>
<b>Atlantic</b>									
Wheat	0	0	n/a	324	551	59	1,006	23	552
Corn	0	0	n/a	460	465	99	69	32	472
Soybeans	8	3	331	1,295	1,216	107	32	72	1,268
<b>Total</b>	<b>8</b>	<b>3</b>	<b>331</b>	<b>2,080</b>	<b>2,232</b>	<b>93</b>	<b>36</b>	<b>58</b>	<b>2,292</b>
<b>U.S. total from ports<sup>2</sup></b>									
Wheat	279	536	52	26,709	21,076	127	156	153	21,387
Corn	371	980	38	41,944	39,463	106	119	104	40,134
Soybeans	474	749	63	36,198	34,077	106	77	111	36,025
<b>Total</b>	<b>1,123</b>	<b>2,265</b>	<b>50</b>	<b>104,852</b>	<b>94,617</b>	<b>111</b>	<b>100</b>	<b>116</b>	<b>97,546</b>

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

<sup>2</sup> Total includes only port regions shown above

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

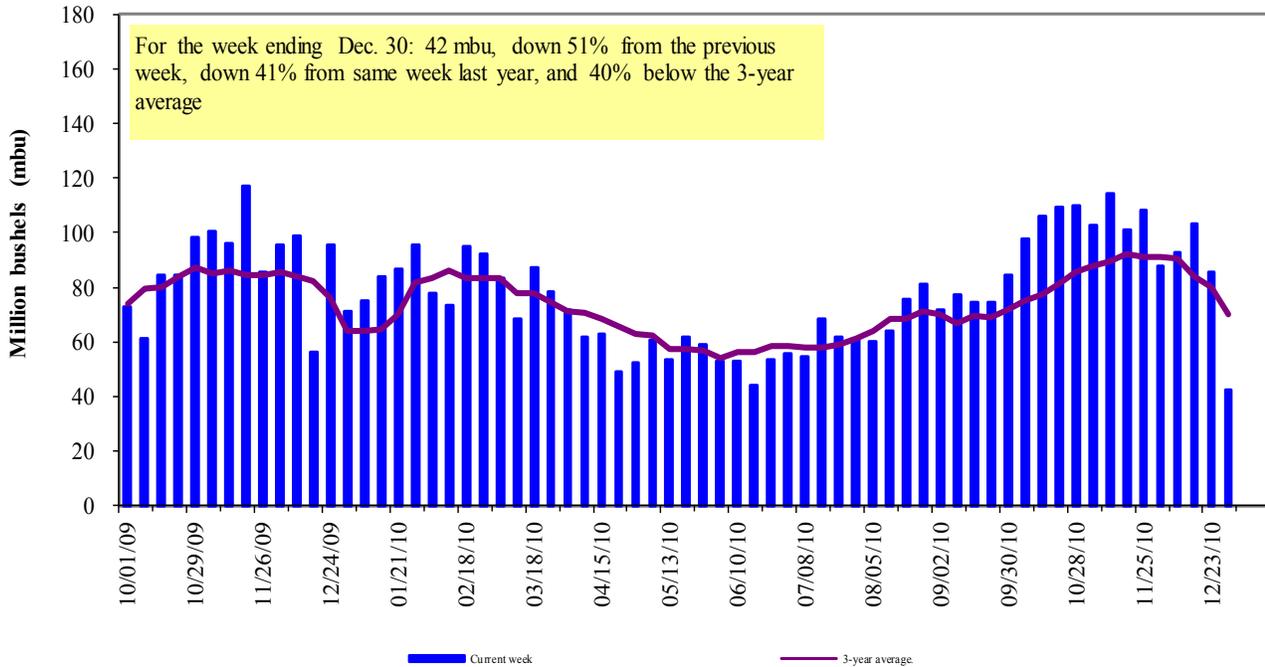
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The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 62 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2009.

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Figure 14

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

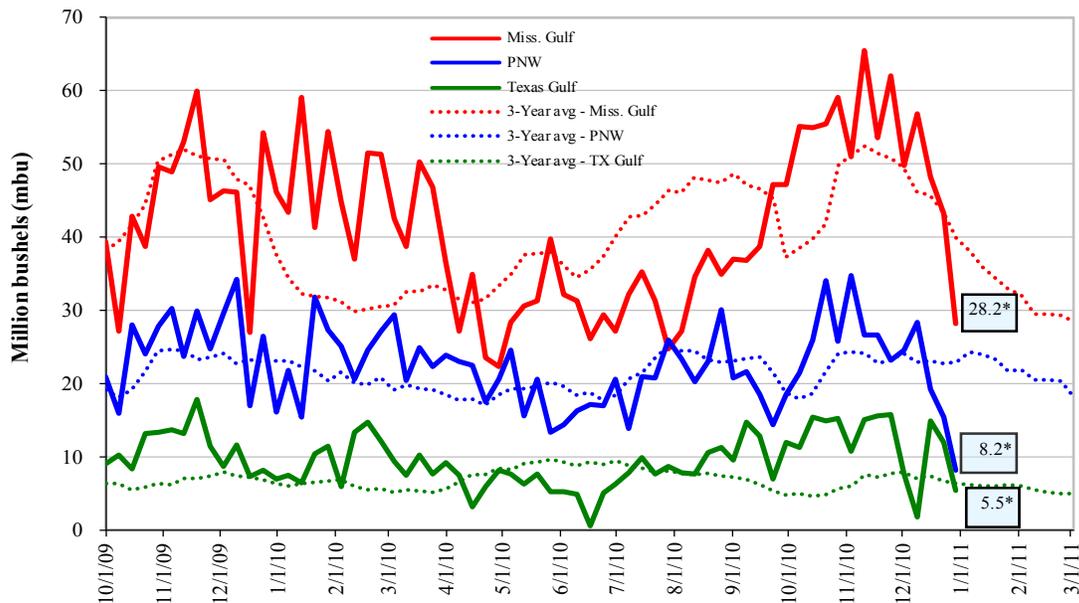


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

**U.S. Grain Inspections: U.S. Gulf and PNW<sup>1</sup> (wheat, corn, and soybeans)**



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

Dec 30 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 35	down 55	down 39	down 47
Last year (same week)	down 39	down 21	down 37	down 49
3-yr avg. (4-wk mov. avg.)	down 29	down 8	down 26	down 39

# Ocean Transportation

Table 17

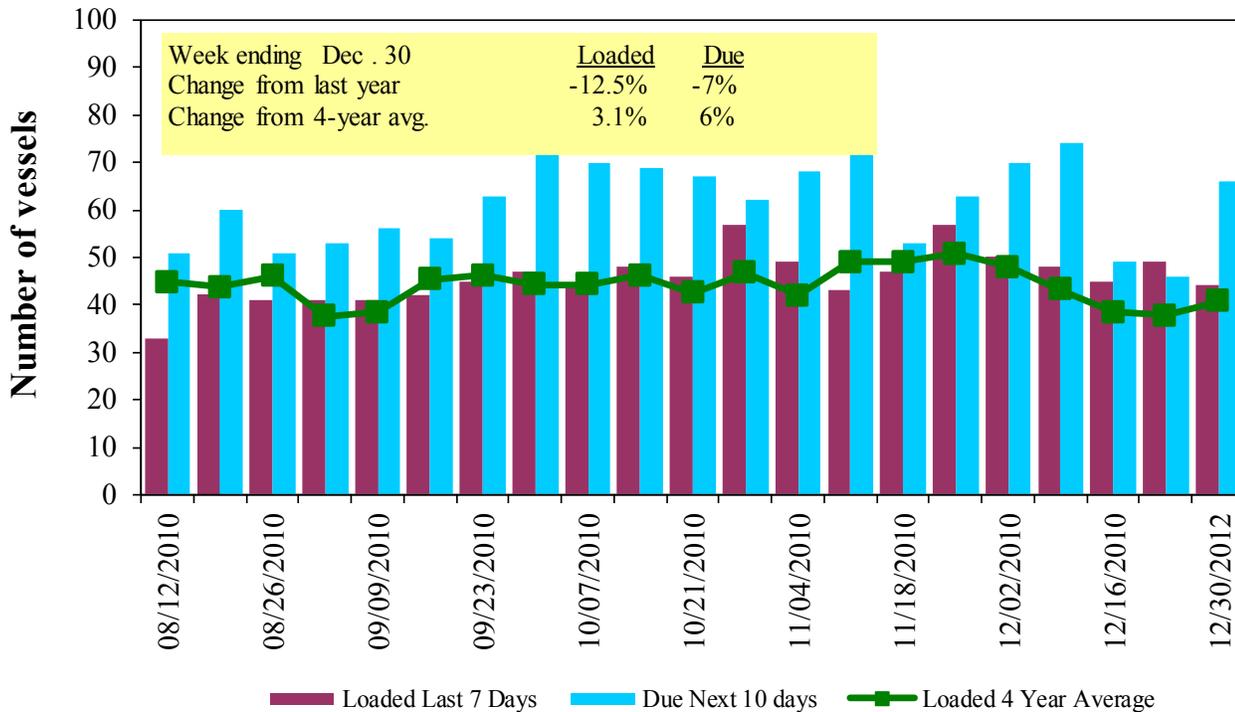
**Weekly Port Region Grain Ocean Vessel Activity (number of vessels)**

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
12/30/2010	28	42	66	21	11
12/23/2010	34	44	46	20	10
2009 range	(18..72)	(21..57)	(37..86)	(2..19)	(3..19)
2009 avg.	37	39	55	10	9

Source: Transportation & Marketing Programs/AMS/USDA

**Figure 16**

**U.S. Gulf<sup>1</sup> Vessel Loading Activity**

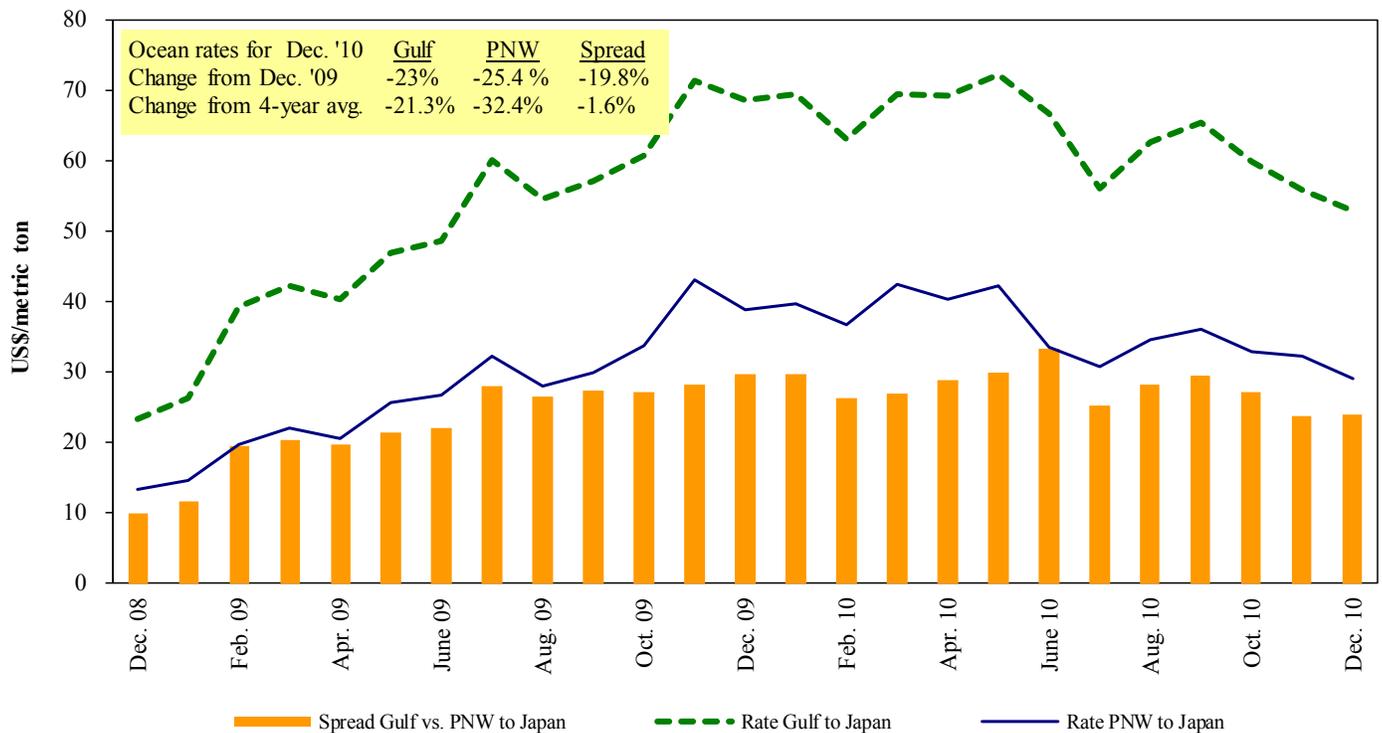


Source: Transportation & Marketing Programs/AMS/USDA

<sup>1</sup>U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

### Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

### Ocean Freight Rates For Selected Shipments, Week Ending 1/1/2011

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 22/31	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 20/30	55,000	57.00
U.S. Gulf	China	Heavy Grain	Dec 1/5	55,000	63.00
U.S. Gulf	China	Heavy Grain	Nov 20/30	55,000	56.00
U.S. Gulf	China	Heavy Grain	Nov 15/24	55,000	57.00
U.S. Gulf	China	Heavy Grain	Nov 15/24	55,000	56.75
U.S. Gulf	Pakistan <sup>1</sup>	Wheat	Nov 26/Dec 6	8,100	77.99
River Plate	Algeria	Corn	Dec 5/10	25,000	36.00
River Plate	Algeria	Soybeanmeal	Nov 28/30	25,000	39.50
River Plate	Algeria	Corn	Nov 16/25	25,000	31.00
River Plate	Italy	Heavy Grain	Nov 1/2	28,000	41.50
Romania	Egypt Med	Wheat	Nov 1/10	25,000	17.25

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

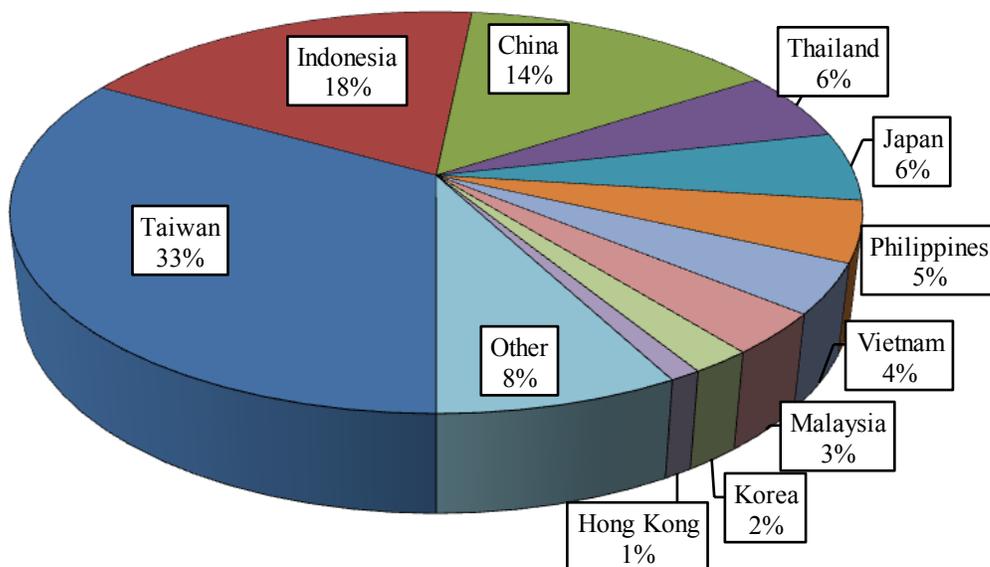
<sup>1</sup>75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2009, containers were used to transport 5 percent of total waterborne grain exports, and 6 percent of U.S. grain exports to Asia.

Figure 18

**Top 10 Destination Markets for U.S. Containerized Grain Exports, October 2010**

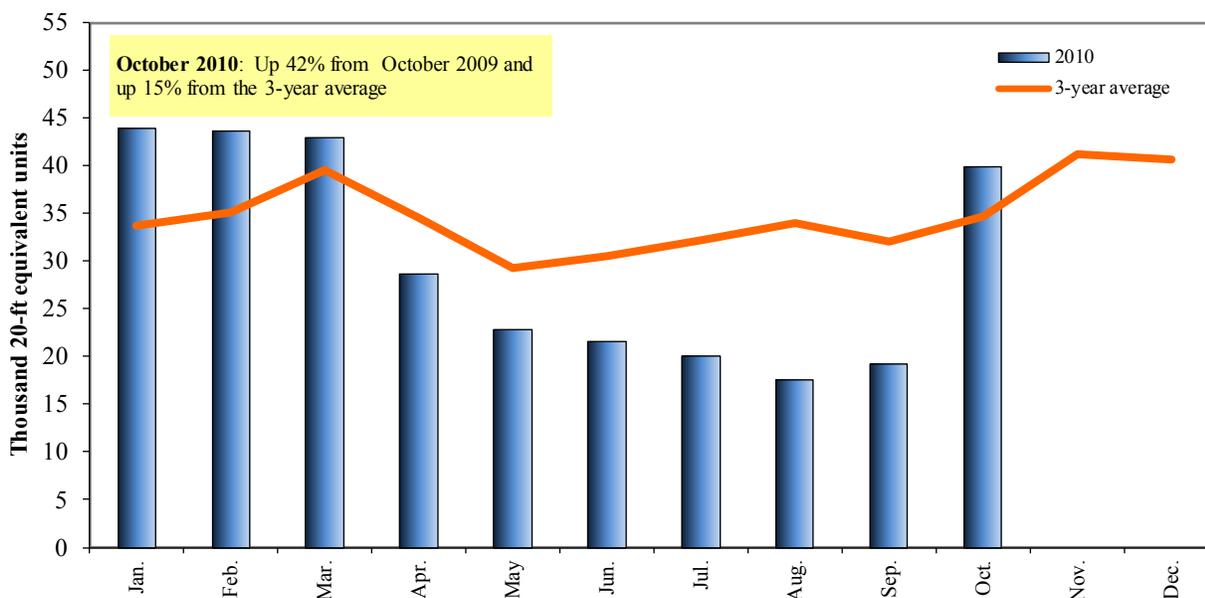


Source: Port Import Export Reporting Service (PIERS)

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: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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**.

# Contacts and Links

## Coordinators

Surajudeen (Deen) Olowolayemo [surajudeen.olowolayemo@ams.usda.gov](mailto:surajudeen.olowolayemo@ams.usda.gov) (202) 694 - 3050  
Pierre Bahizi [pierre.bahizi@ams.usda.gov](mailto:pierre.bahizi@ams.usda.gov) (202) 694 - 2503

## Weekly Highlight Editors

Marina Denicoff [marina.denicoff@ams.usda.gov](mailto:marina.denicoff@ams.usda.gov) (202) 694 - 2504  
Surajudeen (Deen) Olowolayemo [surajudeen.olowolayemo@ams.usda.gov](mailto:surajudeen.olowolayemo@ams.usda.gov) (202) 694 - 3050  
April Taylor [april.taylor@ams.usda.gov](mailto:april.taylor@ams.usda.gov) (202) 295 - 7374

## Grain Transportation Indicators

Surajudeen (Deen) Olowolayemo [surajudeen.olowolayemo@ams.usda.gov](mailto:surajudeen.olowolayemo@ams.usda.gov) (202) 694 - 3050

## Rail Transportation

Marvin Prater [marvin.prater@ams.usda.gov](mailto:marvin.prater@ams.usda.gov) (202) 694 - 3051  
Johnny Hill [johnny.hill@ams.usda.gov](mailto:johnny.hill@ams.usda.gov) (202) 694 - 2506

## Barge Transportation

Nicholas Marathon [nick.marathon@ams.usda.gov](mailto:nick.marathon@ams.usda.gov) (202) 694 - 2508  
April Taylor [april.taylor@ams.usda.gov](mailto:april.taylor@ams.usda.gov) (202) 295 - 7374

## Truck Transportation

April Taylor [april.taylor@ams.usda.gov](mailto:april.taylor@ams.usda.gov) (202) 295 - 7374

## Grain Exports

Johnny Hill [johnny.hill@ams.usda.gov](mailto:johnny.hill@ams.usda.gov) (202) 694 - 2506  
Marina Denicoff [marina.denicoff@ams.usda.gov](mailto:marina.denicoff@ams.usda.gov) (202) 694 - 2504

## Ocean Transportation

Surajudeen (Deen) Olowolayemo [surajudeen.olowolayemo@ams.usda.gov](mailto:surajudeen.olowolayemo@ams.usda.gov) (202) 694 - 3050  
(Freight rates and vessels)  
April Taylor [april.taylor@ams.usda.gov](mailto:april.taylor@ams.usda.gov) (202) 295 - 7374  
(Container movements)

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