USDA Agricultural Marketing Service

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Division
www.ams.usda.gov/GTR

Contact Us

January 27, 2011

Contents

The next release is February 3, 2011

WEEKLY HIGHLIGHTS

River Conditions Limit Cargo Capacity of Ocean Vessels

On January 25, the Mississippi River Bar Pilots reduced the operating draft for ocean vessels from 47 feet to 44 feet near the mouth of the Mississippi River. Bar Pilots take command of all vessels entering or exiting the mouth of the Mississippi River. The reduction in the operating draft is necessary because of limited river depths. Reduced draft levels will require some grain vessels to be loaded at less than the vessel's maximum cargo capacity. The U.S. Army Corps of Engineers is responsible for dredging the mouth of the Mississippi River, but budget constraints have limited dredging activity.

Corn Inspections Up for Second Consecutive Week

For the week ending January 20, **total inspections of grain** (corn, wheat, and soybeans) from all major U.S. export regions reached 2.21 million metric tons (mmt), down 9 percent from the previous week and 5 percent below last year at this time. Despite the drop in overall grain inspections, corn inspections (.573 mmt) increased for the second consecutive week, up 11 percent from the past week and slightly above last year. Mississippi Gulf (.465 mmt) corn inspections increased 46 percent from the past week, with increased shipments to Mexico and Latin America. Outstanding (unshipped) export sales of corn also remained strong, at 12.06 mmt. Total soybean inspections remained above 1.00 mmt, with Pacific Northwest shipments increasing 145 percent from the previous week.

U.S. Soybean Sales to China Surpass Last Year's Total

During a 2-day period this week, China purchased 2.9 million metric tons of U.S. soybeans for delivery during the 2010/11 marketing year that ends on August 31. The year-to-date total soybean export sales to China currently total 26.2 mmt, 16.7 percent higher than in 2009/10. In addition, during the week ending January 13, **unshipped export** balances for corn, wheat, and soybeans are 25.6 percent higher than last year at this time. As indicated by strong weekly export sales of all grains and lower carries in the soybean, corn, and wheat markets, short-term grain transportation demand should continue its recent robust pace. Most of the transportation implications of the recent sales are for rail and barges, the most efficient long-haul transportation modes for moving grain from distant production areas in the Heartland to ports.

Snapshots by Sector

Rail

U.S. railroads originated 23,633 **carloads of grain** during the week ending January 15, down 9 percent from last week, down 1 percent from last year, and 1 percent lower than the 3-year average.

During the week ending January 20, average February non-shuttle **secondary railcar bids/offers** were $57.50 above tariff, the same as last week. Average shuttle rates were $209.50 below tariff, up $72 from last week.

Barge

During the week ending January 22, **barge grain movements** totaled 575,750 tons, 6.8 percent higher than the previous week but 10.8 percent lower than the same period last year.

During the week ending January 22, 360 grain barges **moved down river**, up 7 percent from last week; 610 grain barges were **unloaded in New Orleans**, up 7 percent from the previous week.

Fuel

During the week ending January 24, U.S. average **diesel fuel prices** increased 3 cents per gallon to $3.43—up 0.7 percent from the previous week and 21 percent higher than the same week last year.

Ocean

During the week ending January 20, 46 **ocean-going grain vessels** were loaded in the Gulf, down 2 percent from last year. Seventy-six vessels are expected to be loaded in the Gulf within the next 10 days, down 7 percent from last year.

During the week ending January 21, the cost of shipping grain from the Gulf to Japan averaged $50 per mt, down 7 percent from the previous week. The rate from the Pacific Northwest to Japan was $28 per mt, down 12 percent from the previous week.

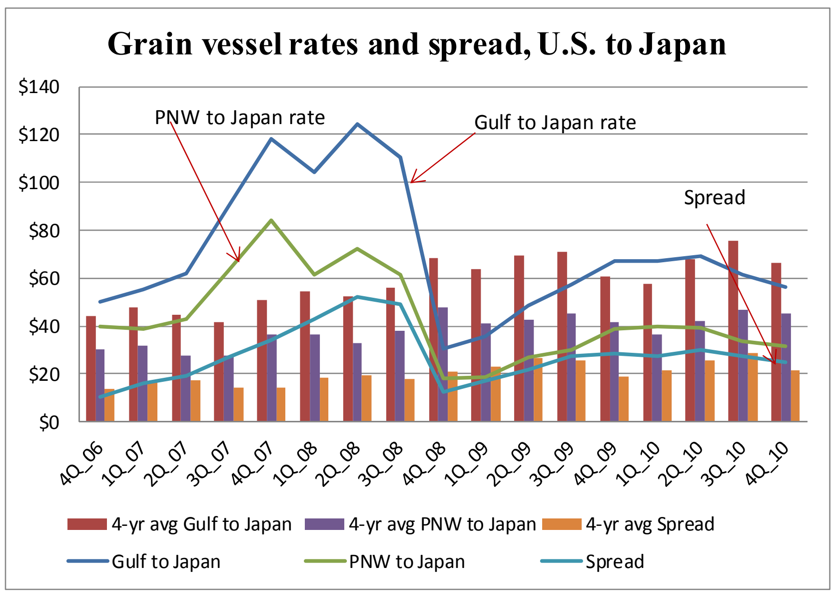
Feature Article/Calendar

Bulk Ocean Freight Rates: the Year in Review, a Look to the Future

Ocean freight rates for shipping bulk grain increased during 2010 as the global economy gradually improved and new vessel deliveries increased capacity. However, the rates were far below the historical highs of 2007 and 2008. The near-term outlook for bulk ocean freight rates remains positive for grain shippers, as the slow global economic recovery and ample vessel capacity are expected to keep the rates relatively low, similar to the range seen in 2009 and 2010, and below their 4-year averages.

Review of 2010 and a Historical Perspective: In 2010, the rates for shipping bulk grain from the U.S. Gulf to Japan averaged $63.59 per metric ton (mt) during 2010, 4 percent below the 4-year average. The rates from the Pacific Northwest (PNW) to Japan averaged $36.04 per mt, 14 percent below the 4-year average. The rates for shipping from the U.S. Gulf to Rotterdam averaged $26.48 per mt, 32 percent below the 4-year average.

Over the past four years, bulk ocean freight rates varied significantly. They increased dramatically during 2007 and the early part of 2008 as the boom in the global economy led to an increased demand for bulk shipments and tightened vessel supply. In addition, there were delays and congestion in some major ports of the world, putting upward pressure on the rates. During 2007 and 2008, rates reached record highs. The rate for shipping grain from the U.S. Gulf to Japan averaged $133.10 per mt during May 2008 and the rate from the PNW averaged $86.70 during October 2007. The rates from the U.S. Gulf to Rotterdam reached their record high of $101 during November of 2007. The optimism and the market sentiment that existed during these periods of high ocean rates encouraged ship owners to place orders for new vessels. In addition, scrapping of older vessels was slowed to a minimum. The rates remained relatively high through the 3rd quarter of 2008 as the global economic recession continued. During the 4th quarter of 2008, the rates dropped dramatically to their lowest levels in recent years, as a result of the worst global economic meltdown since World War II (see graph). In December 2008, the rate for shipping grain from the U.S. Gulf to Japan was as low as $23.33 per mt, and the PNW-to-Japan rate was only $13.33 per mt. The rate from the U.S. Gulf to Rotterdam was $12.00 per mt. In addition to lower shipping demand, excess vessel supply caused by continuous delivery of previously ordered new bulk vessels also contributed to the lower bulk ocean rates.



By 2009, the rates were still relatively low, but began to increase slowly during the first quarter. The rate increase continued through the 2nd quarter of 2010 as the global economy gradually improved, causing increased demand for bulk shipping. The rates dropped again during the 3rd quarter of 2010 as the demand for bulk shipping declined due to weak Chinese demand for iron ore and excess supply of vessel tonnage (see **GTR, dated 11/4/2010**). The rates continued to fall through the 4th quarter as the seasonal slowdown in bulk shipping emanates due to various holidays around the world. In addition, there was flooding in Australia, which affected coal shipments and grain production.

Future Outlook: In 2011, rates continued their downward trend. As of January 21, the rates for shipping from the U.S. Gulf to Japan was $50 per mt, and the rates from PNW to Japan was $28 per mt. The rate from the U.S. Gulf to Rotterdam was only $23 per mt. The rates are expected to remain low in the short-term, given the upcoming

Chinese lunar New Year Holiday. The longer-term outlook also remains positive for grain shippers; ocean rates could remain low due to adequate vessel capacity. Although new ordering has declined as owners became skeptical about the prospects of the dry bulk market, bulk vessel supply is still outpacing its demand. A total of 2.9 million deadweight (dwt) (42 vessels) was contracted in December compared to 4.3 million dwt in November. About 122.7 million dwt are scheduled for delivery in 2011. Surajudeen.Olowolayemo@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean: Gulf	Ocean: Pacific
01/26/11	230	153	253	224	199
01/19/11	229	153	254	242	227

[1]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)

[2]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	1/21/2011	1/14/2011
Corn	IL--Gulf	-0.65	-0.64
Corn	NE--Gulf	-0.83	-0.81
Soybean	IA--Gulf	-1.24	n/a
HRW	KS--Gulf	-1.50	-1.50
HRS	ND--Portland	-4.00	-4.00

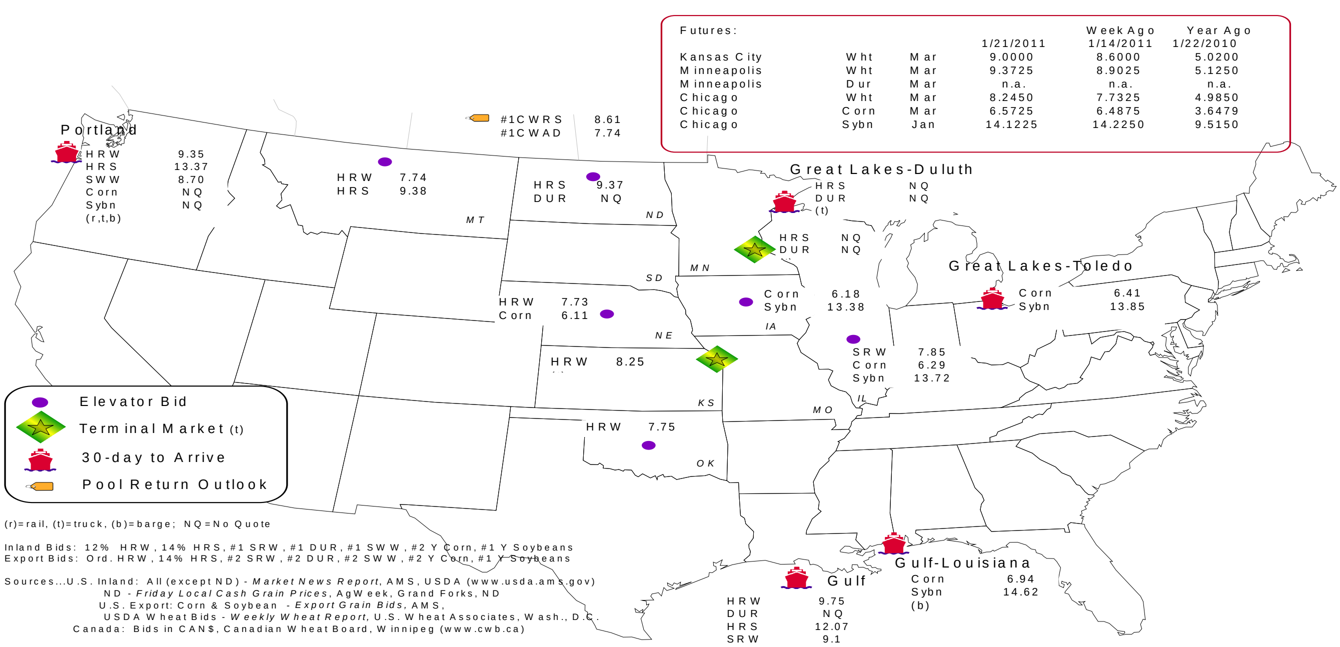
Note: nq = no quote

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 Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
1/19/2011[p]	1,403	2,216	599	3,739	1,007	8,964
1/12/2010[r]	853	2,191	449	3,575	841	7,909
2011 YTD	3,356	6,085	1,516	10,735	2,609	24,301
2010YTD	1,338	3,655	2,052	9,181	3,856	20,082
2011 YTD as % of 2010 YTD	251	166	74	117	68	121
Last 4 weeks as % of 2010[2]	275	163	89	120	67	126
Last 4 weeks as % of 4-year avg.[2]	94	122	91	93	92	99
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.

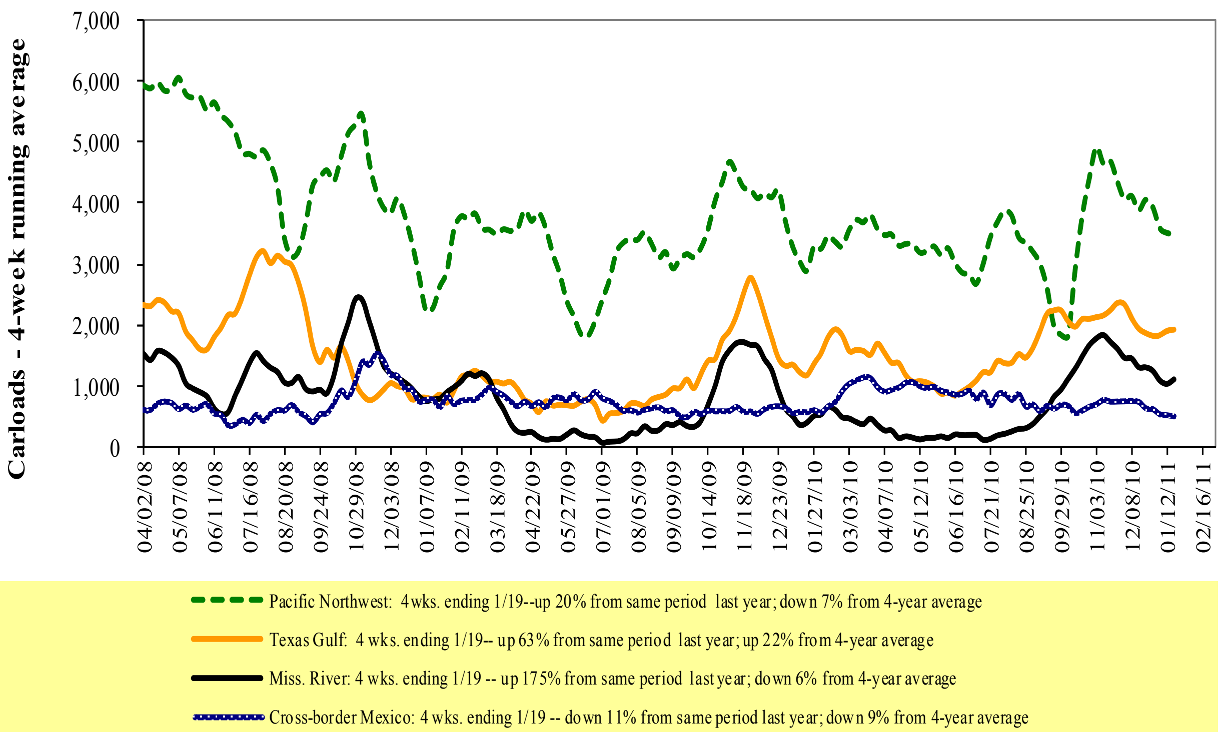
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

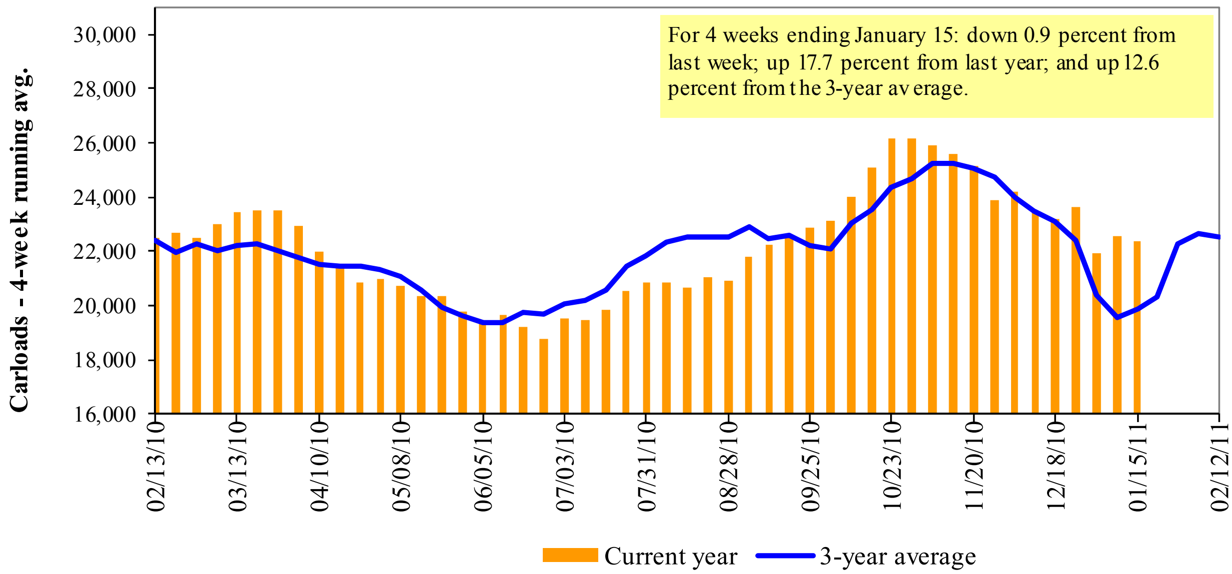
	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
01/15/11	2,521	3,164	11,296	599	6,053	23,633	4,035	4,139
This week last year	2,268	2,941	11,822	901	5,819	23,751	4,412	5,921
2011 YTD	5,169	6,573	23,237	1,283	13,284	49,546	7,640	9,456
2010 YTD	4,791	5,702	20,978	1,476	10,233	43,180	8,175	11,419
2011 YTD as % of 2010 YTD	108	115	111	87	130	115	93	83
Last 4 weeks as % of 2010[1]	122	120	113	91	128	118	101	95
Last 4 weeks as % of 3-yr avg.[1]	103	122	111	86	121	113	92	104
Total 2010	111,935	159,836	546,901	35,807	295,361	1,149,840	203,038	265,835

[1]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[1] ($/car)[2]

Week ending	Delivery period							
1/20/2011	Feb-11	Feb-10	Mar-11	Mar-10	Apr-11	Apr-10	May-11	May-10
BNSF[3]								
COT grain units	no offer	13	no bids	0	no bids	0	no bids	0
COT grain single-car[5]	0 . . 5	0 . . 31	0	0	0	0	0	no bids
UP[4]								
GCAS/Region 1	1	no bids	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	1	no bids	no bids	no bids	no bids	n/a	n/a

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

[2]Average premium/discount to tariff, last auction

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

[4]UP - GCAS = Grain Car Allocation System

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

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

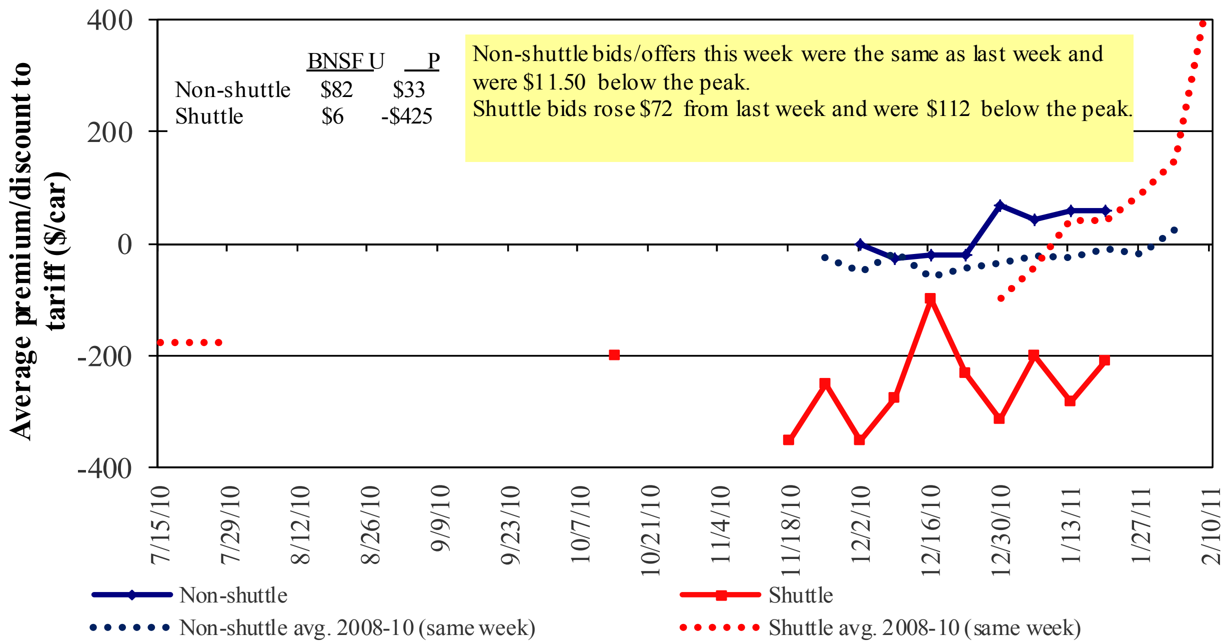
[5]Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

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

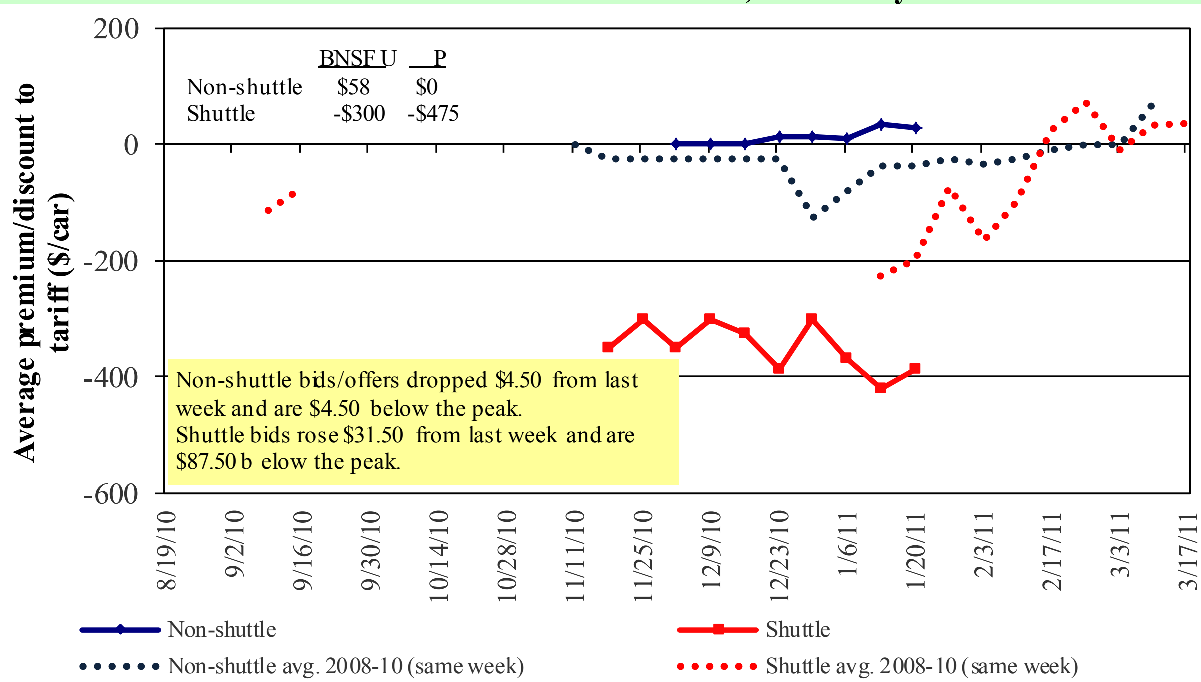


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

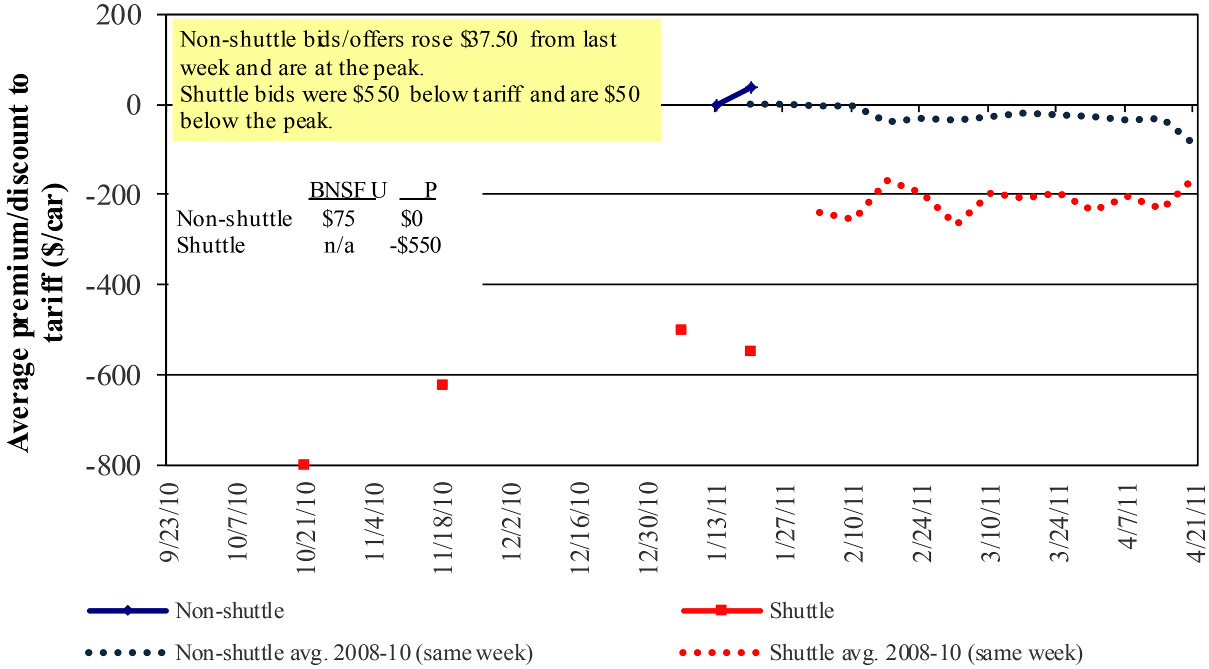


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in April 2011, 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 Rail Car Market ($/car)[1]

Week ending	Delivery period					
1/20/2011	**Feb-11**	**Mar-11**	**Apr-11**	**May-11**	**Jun-11**	**Jul-11**
Non-shuttle						
BNSF-GF	82	58	75	n/a	n/a	n/a
Change from last week	(8)	(9)	n/a	n/a	n/a	n/a
Change from same week 2010	72	83	n/a	n/a	n/a	n/a
UP-Pool	33	-	-	n/a	n/a	n/a
Change from last week	8	-	-	n/a	n/a	n/a
Change from same week 2010	32	13	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	6	(300)	n/a	n/a	n/a	n/a
Change from last week	144	50	n/a	n/a	n/a	n/a
Change from same week 2010	(257)	(100)	n/a	n/a	n/a	n/a
UP-Pool	(425)	(475)	(550)	n/a	n/a	n/a
Change from last week	-	13	n/a	n/a	n/a	n/a
Change from same week 2010	(500)	(575)	n/a	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 Shipments[1]

Effective date: 1/3/2011	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]
Unit train						
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
Shuttle Train						
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
	Northwest KS	Portland, OR	$4,510	$336	$48.12	$1.31
Corn	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

[1]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.

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

[3]Percentage change year over year calculated using tariff rate plus fuel surchage

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 surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	Tariff plus surcharge per: bushel[3]	Percent change Y/Y[4]
Effective date: 1/3/2011							
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	Torreon, 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[5]	$7,352	$1,004	$85.38	$2.32	12
	KS	Torreon, 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	Torreon, CU	$5,546	$625	$63.05	$1.60	7

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

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

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

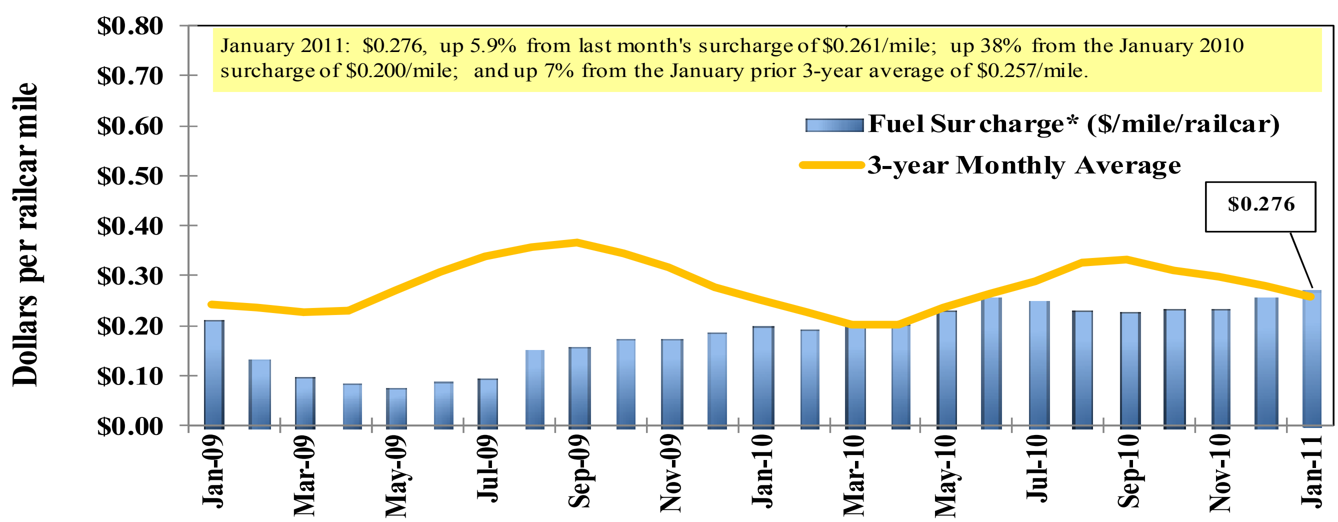
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[5] 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[1]



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

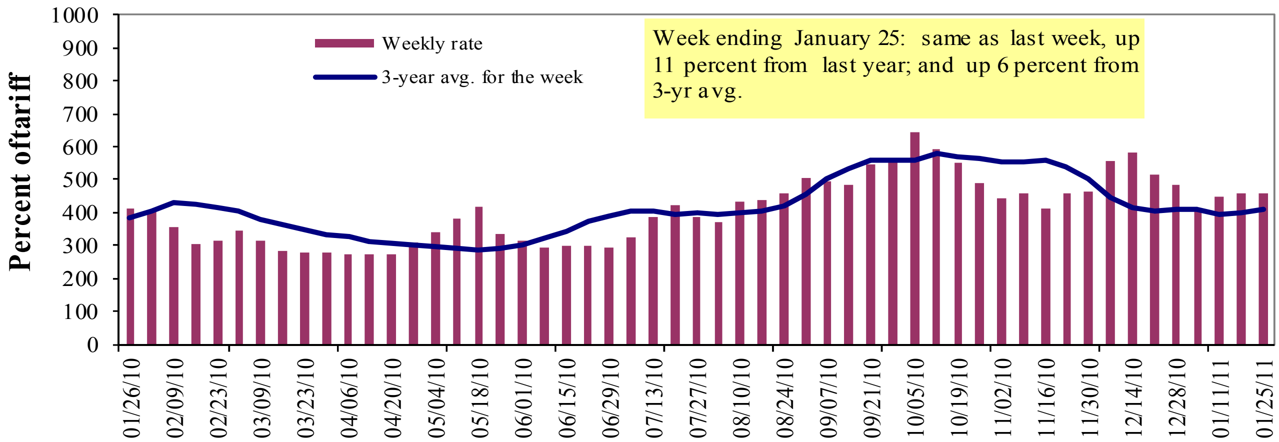
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate[1,2]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	1/25/2011	-	-	456	398	400	400	331
	1/18/2011	-	-	458	396	439	439	373
$/ton	1/25/2011	-	-	21.16	15.88	18.76	16.16	10.39
	1/18/2011	-	-	21.25	15.80	20.59	17.74	11.71
Current week % change from the same week:								
	Last year	-	-	11	30	22	22	31
	3-year avg. [2]	-	-	6	17	13	13	9
Rate[1]	February	-	-	426	331	384	384	301
	April	425	388	378	284	344	344	278

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

Source: Transportation & Marketing Programs/AMS/USDA

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 9

Benchmark tariff rates

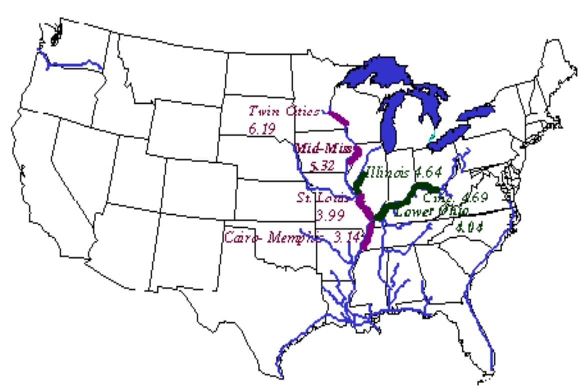
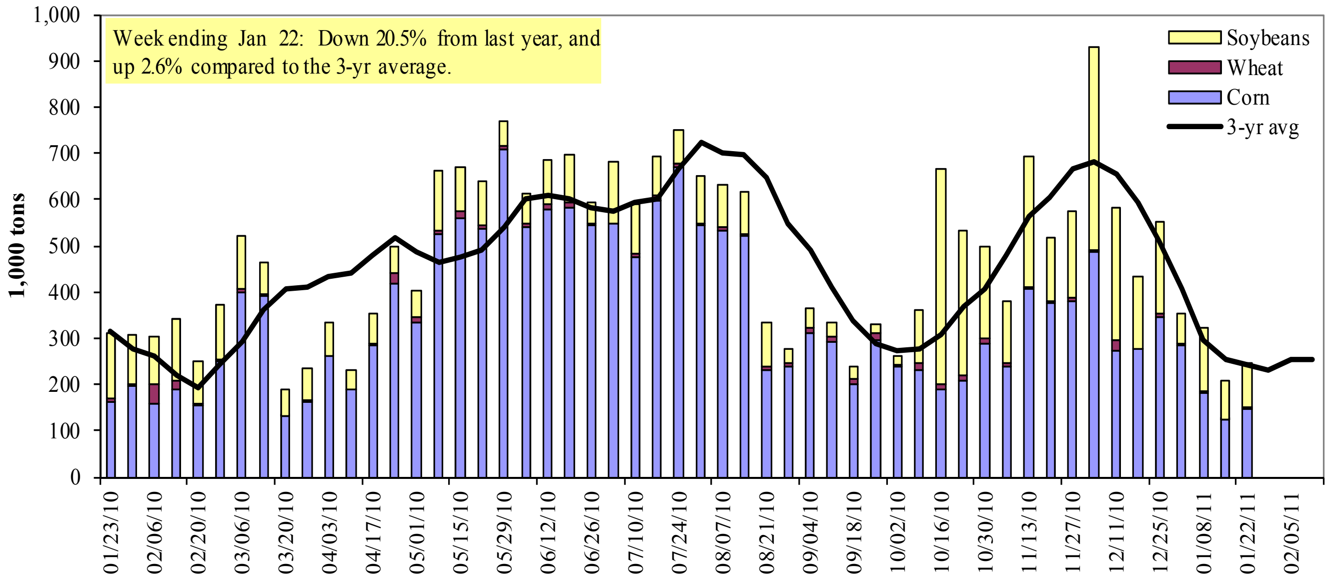


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



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

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 1/22/2011	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	0	0	0	0	0
Alton, IL (L26)	183	3	68	0	254
Granite City, IL (L27)	148	3	97	0	248
Illinois River (L8)	157	6	63	0	226
Ohio River (L52)	154	3	128	0	285
Arkansas River (L1)	0	13	29	1	43
Weekly total - 2011	301	19	254	1	576
Weekly total - 2010	288	28	316	14	646
2011 YTD[1]	845	56	772	10	1,682
2010 YTD	588	76	712	30	1,405
2011 as % of 2010 YTD	144	73	109	32	120
Last 4 weeks as % of 2010[2]	166	92	110	55	131
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.

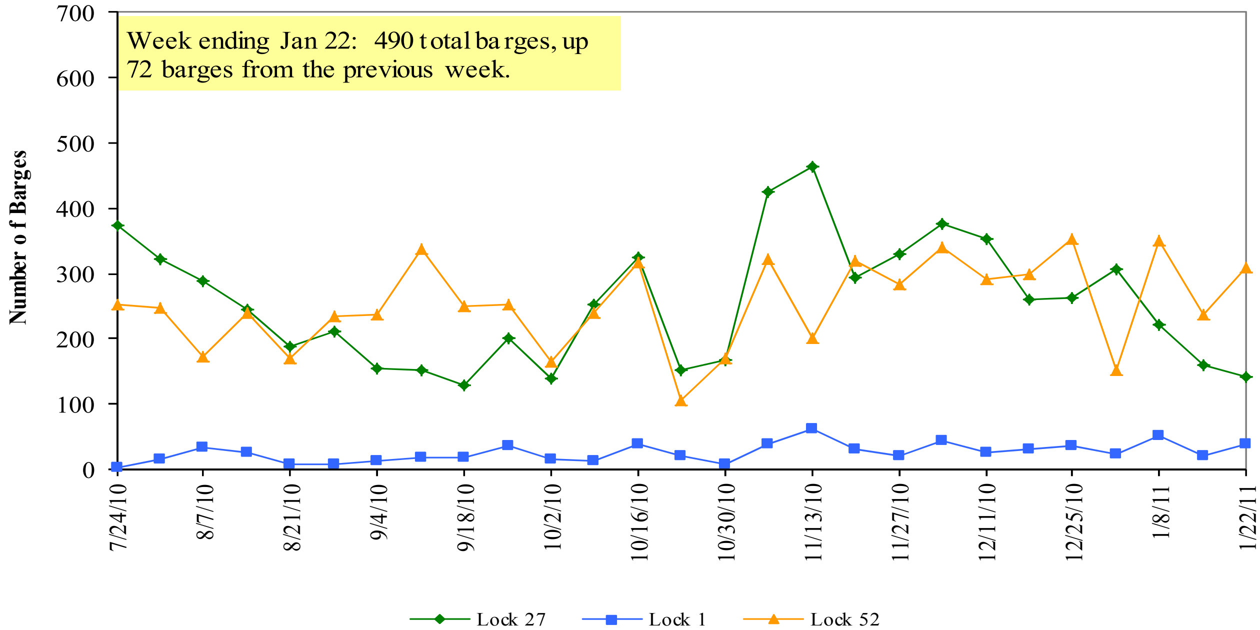
[2] As a percent of same period in 2010.

Note: Total may not add exactly, due to rounding

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

Figure 11

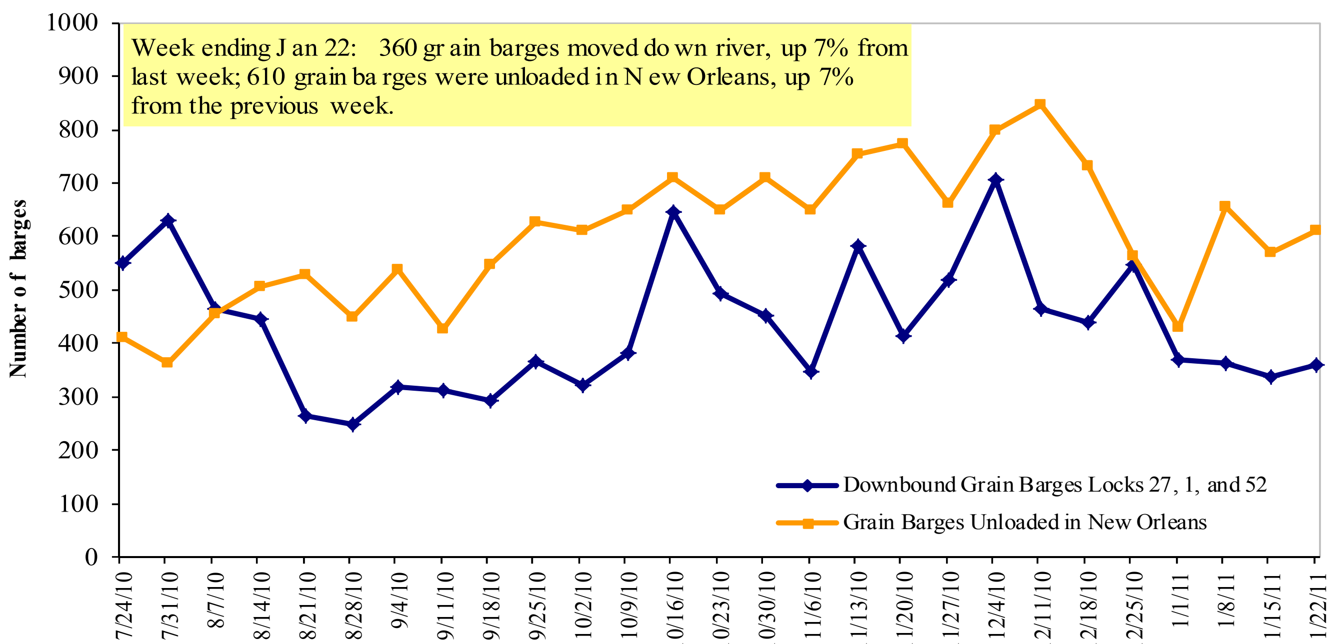
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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[1], Week Ending 1/24/2011 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.480	0.032	0.597
	New England	3.609	0.049	0.554
	Central Atlantic	3.590	0.034	0.604
	Lower Atlantic	3.421	0.029	0.598
II	Midwest[2]	3.392	0.021	0.602
III	Gulf Coast[3]	3.382	0.016	0.582
IV	Rocky Mountain	3.388	0.014	0.571
V	West Coast	3.531	0.022	0.616
	California	3.602	0.040	0.615
Total	U.S.	3.430	0.023	0.597

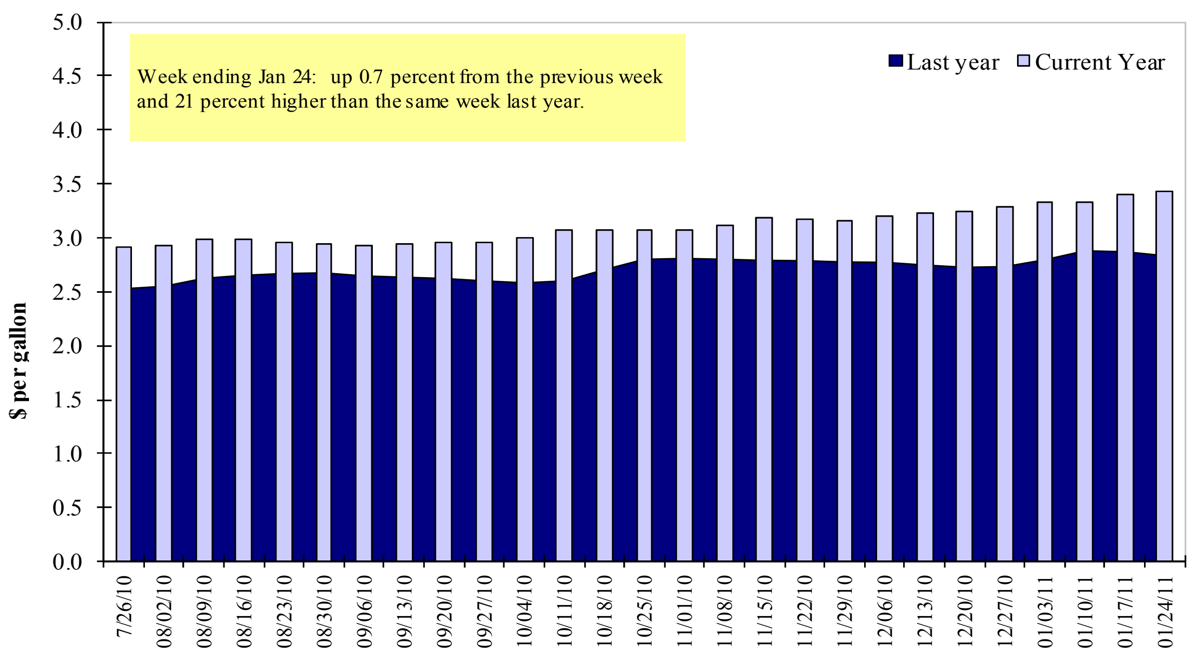
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[2]Same as North Central [3]Same as South Central

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

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



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

Grain Exports

Table 12

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

Week ending	Wheat HRW	Wheat SRW	Wheat HRS	Wheat SWW	Wheat DUR	All wheat	Corn	Soybeans	Total
Export Balances[1]									
1/13/2011	3,798	807	2,629	1,321	121	8,676	12,055	13,062	33,793
This week year ago	1,552	465	1,052	798	210	4,077	11,604	11,031	26,712
Cumulative exports-marketing year[2]									
2010/11 YTD	8,739	1,286	5,029	2,845	679	18,577	15,613	23,567	57,757
2009/10 YTD	4,806	1,876	3,086	2,514	701	12,983	15,687	22,860	51,530
YTD 2010/11 as % of 2009/10	182	69	163	113	97	143	100	103	112
Last 4 wks as % of same period 2009/10	250	176	245	158	54	212	103	126	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

[1] Current unshipped export sales to date

[2] 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[1] of U.S. Corn

Week ending 01/13/11	Total Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
Japan	7,845	7,178	9	14,343
Mexico	4,152	5,345	(22)	7,999
Korea	3,443	3,692	(7)	7,562
Taiwan	1,340	1,799	(25)	2,949
Egypt	1,834	980	87	2,935
Top 5 importers	**18,614**	**18,994**	**(2)**	**35,788**
Total US corn export sales	**27,668**	**27,291**	**1**	**50,460**
% of Projected	56%	54%		
Change from Last Week	905	1,586		
Top 5 importers' share of U.S. corn export sales	67%	70%		
USDA forecast, January 2011	**49,530**	**50,460**	**(2)**	
Corn Use for Ethanol USDA forecast, Ethanol Janary 2011	**124,460**	**116,027**	**7**	

(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 Importers[1] of U.S. Soybeans

Week ending 01/13/11	Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
China[4]	23,333	20,985	11	22,454
Mexico	1,911	1,659	15	3,276
Japan 1,	356	1,515	(10)	2,347
EU-25	1,795	1,890	(5)	2,647
Taiwan	932	1,142	(18)	1,556
Top 5 importers	**29,326**	**27,190**	**8**	**32,280**
Total US soybean export sales	**36,629**	**33,891**	**8**	**40,850**
% of Projected	85%	83%		
Change from last week	732	930		
Top 5 importers' share of U.S. soybean export sales	80%	80%		
USDA forecast, January 2011	**43,270**	**40,850**	**6**	
Soybean Use for Biodiesel USDA forecast, January 2011	**6,954**	**4,076**	**71**	

(n) indicates negative number.

[1]Based on FAS 2008/09 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.

[4] Not included - FAS Press Release: **2.91 mmt** (114,000 mt on 1/24, 2.74 mmt on 1/25, 60,000 mt on 1/26 to China for 2010/11.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week Ending 01/13/2011	Total Commitments[2] 2010/11 Current MY	2009/10 Last MY	% change current MY from last MY	Exports[3] 2009/10
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,495	2,437	2	3,233
Japan	2,727	2,278	20	3,148
Mexico	2,308	1,413	63	1,975
Philippines	1,722	1,506	14	1,518
Korea, South	1,323	904	46	1,111
Taiwan	665	618	8	844
Venezuela	536	467	15	658
Colombia	593	444	33	575
Peru	756	404	87	567
Egypt	2,648	456	481	529
Top 10 importers	**15,773**	**10,928**	**44**	**14,156**
Total US wheat export sales	**27,253**	**17,060**	**60**	**23,980**
% of Projected	77%	71%		
Change from last week	1,054	826		
Top 10 importers' share of U.S. wheat export sales	58%	64%		
USDA forecast, January 2010	**35,380**	**23,980**	**48**	

(n) indicates negative number.

[1]Based on FAS **2008/09** Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 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 16

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

Port regions	Week ending 01/20/11	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 2010	Last 4-weeks as % of 3-yr. avg.	Total[1] 2010
Pacific Northwest									
Wheat	192	311	62	698	569	123	121	92	11,062
Corn	107	149	72	366	442	83	59	65	9,950
Soybeans	328	134	244	579	837	69	93	104	10,191
Total	**627**	**595**	**105**	**1,643**	**1,848**	**89**	**91**	**89**	**31,203**
Mississippi Gulf									
Wheat	86	86	100	248	132	188	159	129	4,199
Corn	465	319	146	949	1,264	75	85	67	29,794
Soybeans	592	965	61	2,207	2,427	91	79	115	22,519
Total	**1,143**	**1,371**	**83**	**3,404**	**3,823**	**89**	**84**	**94**	**56,512**
Texas Gulf									
Wheat	214	195	110	652	328	199	188	198	9,339
Corn	0	35	0	35	64	55	41	32	1,859
Soybeans	58	118	50	232	269	86	73	166	1,916
Total	**273**	**348**	**78**	**918**	**661**	**139**	**129**	**164**	**13,115**
Great Lakes									
Wheat	0	0	n/a	0	2	0	0	0	1,897
Corn	0	0	n/a	0	0	n/a	n/a	0	119
Soybeans	0	0	n/a	0	0	n/a	n/a	0	655
Total	**0**	**0**	**n/a**	**0**	**2**	**0**	**0**	**0**	**2,672**
Atlantic									
Wheat	58	21	278	139	26	532	525	353	343
Corn	0	13	0	21	24	85	65	39	469
Soybeans	43	72	60	123	176	70	78	137	1,417
Total	**101**	**106**	**95**	**282**	**227**	**125**	**118**	**152**	**2,229**
U.S. total from ports[2]									
Wheat	551	613	90	1,737	1,057	164	156	132	26,839
Corn	573	517	111	1,371	1,795	76	76	64	42,192
Soybeans	1,021	1,290	79	3,140	3,709	85	81	116	36,699
Total	**2,145**	**2,420**	**89**	**6,248**	**6,561**	**95**	**91**	**100**	**105,730**

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

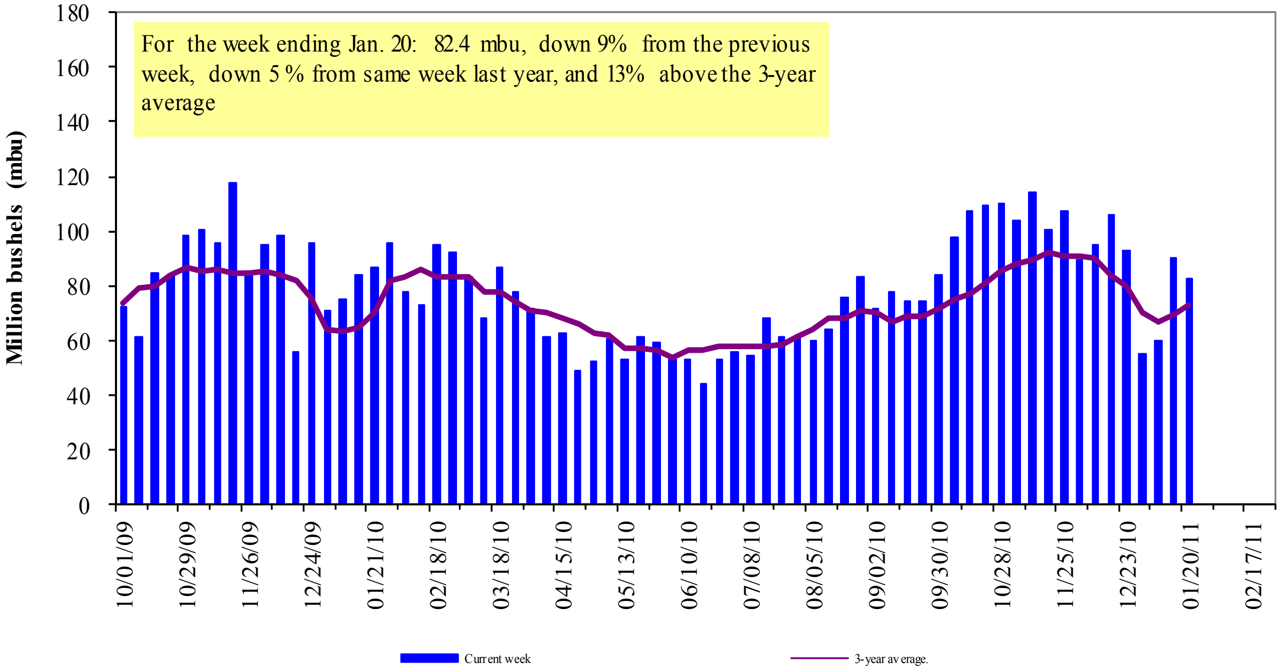
[2] Total includes only port regions shown above

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)

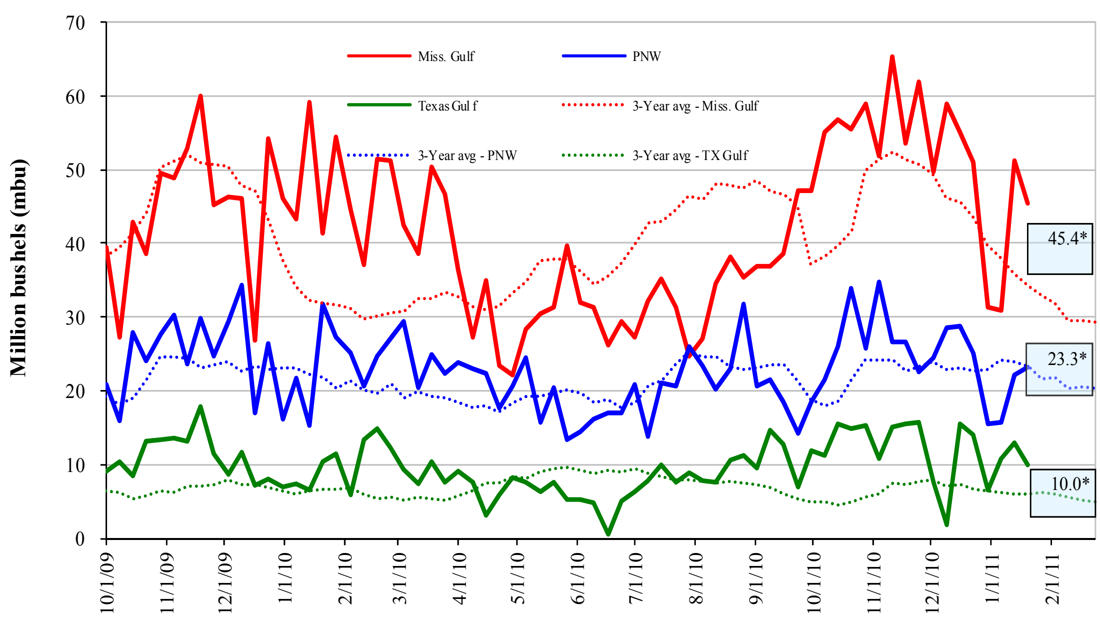


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



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

Jan 20 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 11	down 22	down 17	up 5
Last year (same week)	up 10	down 4	up 3	down 27
3-yr avg. (4-wk mov. avg.)	up 6	up 61	up 8	down 25

Ocean Transportation

Table 17

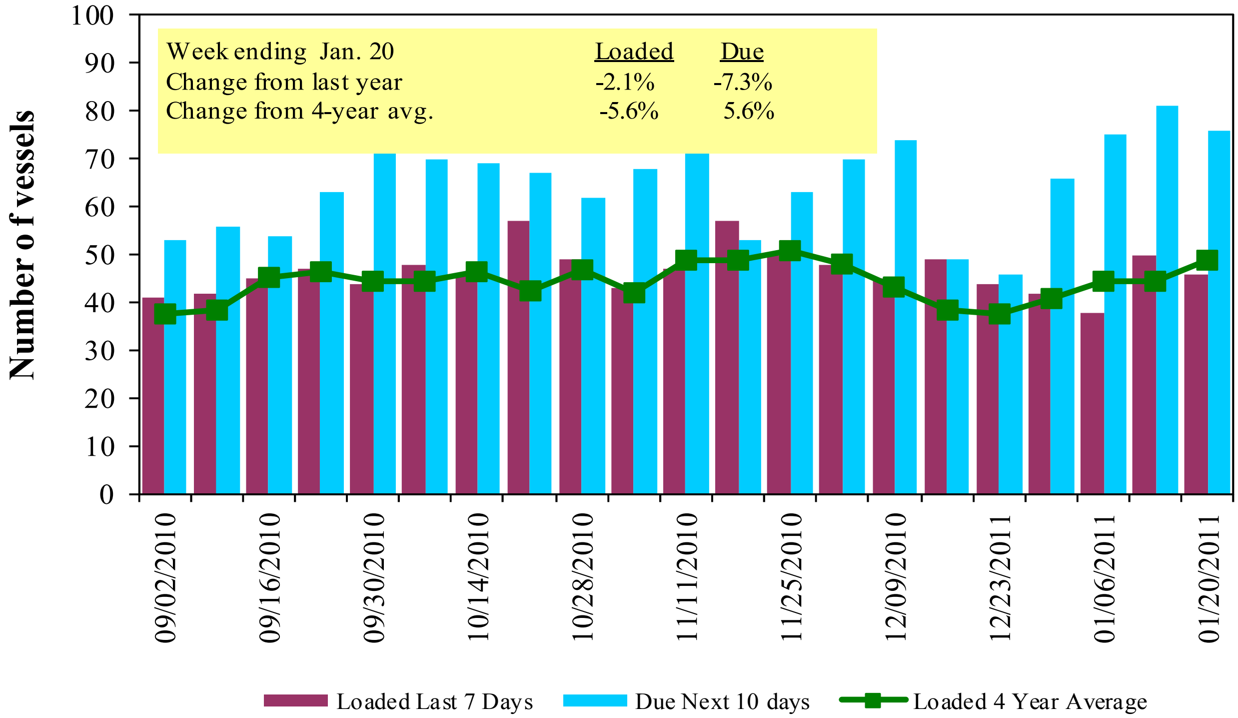
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
1/20/2011	37	46	76	17	13
1/13/2011	26	50	81	15	n/a
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. Gulf[1] Vessel Loading Activity

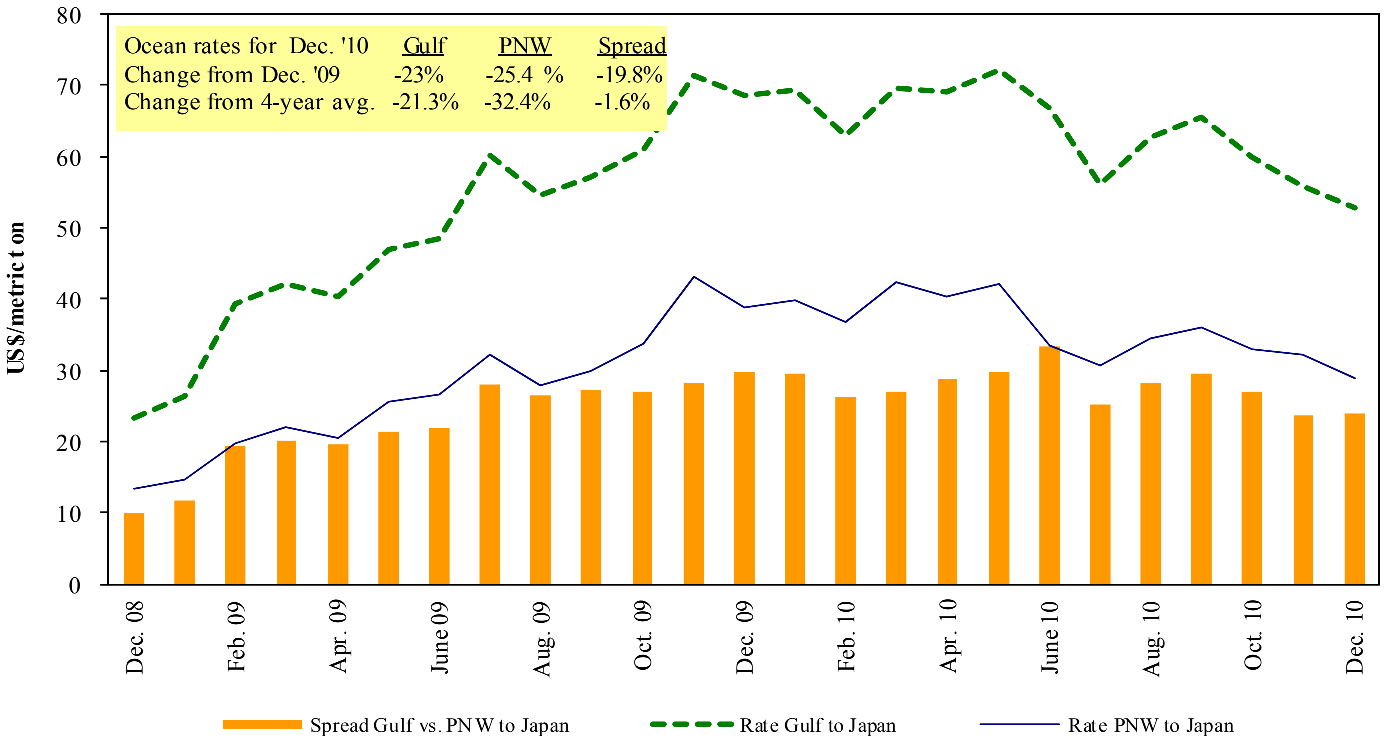


Source:Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

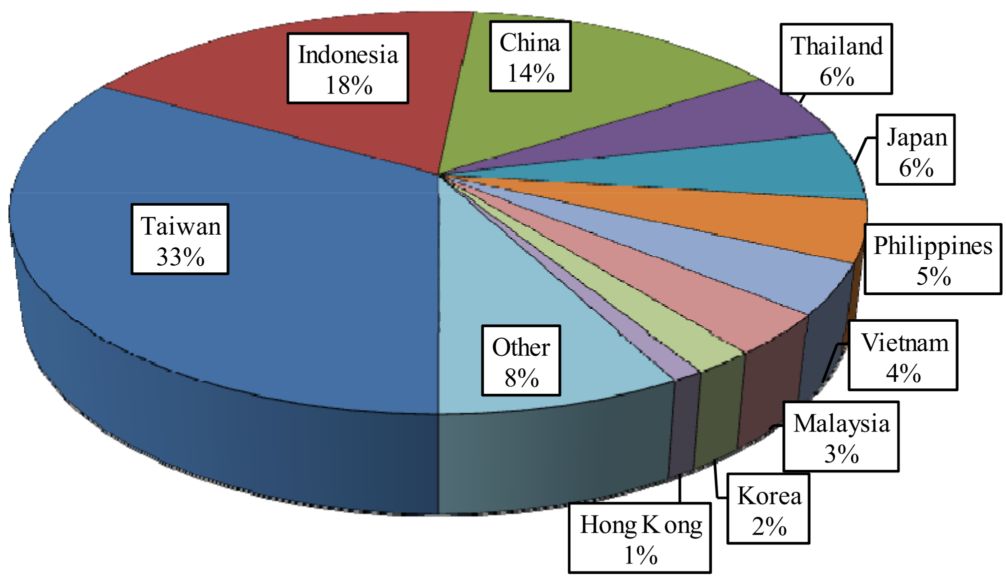
Ocean Freight Rates For Selected Shipments, Week Ending 1/22/2011

Export I region	mport G region	rain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Feb 1/28	58,000	48.00
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[1]	Wheat	Nov 26/Dec 6	8,100	77.99
U.S. Gulf	Turkey	Heavy Grain	Jan 25/30	2,500	46.00
PNW	Pakistan	Heavy Grain	Jan 15/25	42,000	46.00
River Plate	Algeria	Corn	Jan 22/27	30,000	43.00
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

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

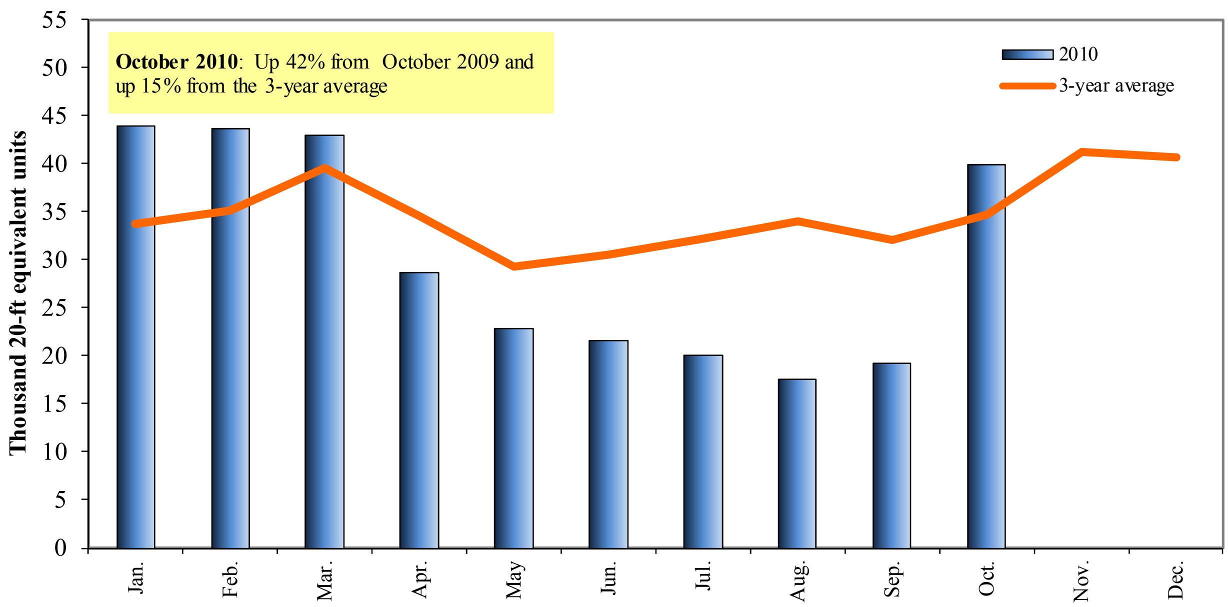


Source: Port Import Export Reporting Service (PIERS)

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**.

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