



Grain Transportation Report

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

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WEEKLY HIGHLIGHTS

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Persistent BNSF Service Problems Reverse Market Share from Record High...

Following the 2012/13 harvest, AAR data show railroads hauled the smallest amount of grain in over 13 years. In the 4-month period beginning October 2012, total grain hauled was down 17 percent from the 5-year average, reflecting the severe drought, which lowered grain production 10 percent below the 5-year average. However, BNSF's share of moving the harvest during that period was at an all-time high of 54 percent. In contrast, persistent service problems have reversed BNSF's market share to its lowest point since 2003, at 42 percent. Service problems started with track improvement work but were exacerbated by a record and compressed harvest, weather, and tight capacity due to increased oil, intermodal, coal, and automotive traffic. This change measures two extremes but is not expected to hold longer term as BNSF continues to implement changes to work off its traffic backlog by spring. BNSF has budgeted \$5 billion for continued capacity expansion and improvement projects in 2014 to prepare for anticipated traffic growth.

... As Other Railroads Pick Up Grain Traffic

Total grain carloadings for the major U.S. carriers are up 13 percent during the past 4 months, reflecting the record grain harvest, compared to the same period last year following the severe drought. Despite being the dominant rail transporter of grain, BNSF has transported the smallest amount of grain since 2002. BNSF has hauled 12 percent less grain (153,048 carloads) during the past 4 months than it did during the same period last year (174,253 carloads). Other carriers are hauling, on average, 52 percent more than they did last year as they pick up additional traffic diverted from BNSF, with Kansas City Southern hauling a record amount (17,568 carloads). Although this has alleviated some of the harvest pressures for rail, persistent high bids in the secondary railcar market indicate not all the demand for rail service can be accommodated at this time.

Diesel Fuel Prices Respond to Increased Demand for Heating Oil

Over the past 2 weeks, average **diesel fuel prices** have increased 8 cents, reaching \$3.95 per gallon. The severely cold temperatures covering much of the United States over the past several weeks have increased demand for heating oil, particularly in the Northeast, where 80 percent of U.S. oil-heated homes are located. Heating oil and diesel fuel both are derived from distillate fuel oil, causing the demand for one to affect inventories and ultimately the market price of the other. According to the Energy Information Administration's latest [This Week in Petroleum](#), "distillate inventories in the Northeast have fallen 4.8 million bbl (19 percent) in the past three weeks (ending January 24), much faster than the 2.1-million-bbl draw typically seen during this time of year." During the week ending February 3, diesel prices in the New England and Central Atlantic regions increased more than 13 cents per gallon.

Rare Southern Louisiana Ice Storm Disrupts Export Grain Vessels

The constant extremely cold temperatures have disrupted grain barge operations on the Upper Mississippi River. Recent extreme dips in temperatures have affected the southern sections of the inland waterways. Due to weather-related road closures on January 28 in southern Louisiana, Federal government services, including USDA grain inspections, were suspended in the New Orleans area. With USDA services suspended, grain elevators were not able to load grain until inspections resumed on the afternoon of January 29. Port of New Orleans officials reported that the winter weather caused a few delays in ship schedules. However, there were no ships diverted from New Orleans to alternate ports. The National Weather Service's records show that icy conditions happen once every ten years in southern Louisiana.

Snapshots by Sector

Rail

U.S. railroads originated 23,175 **carloads of grain** during the week ending January 25, up 9 percent from last week, 24 percent from last year, and 10 percent from the 3-year average.

During the week ending January 30, average February non-shuttle **secondary railcar bids/offers per car** were \$800 above tariff, down \$200 from last week and \$806.50 higher than last year. Average shuttle bids/offers were \$1,146 per car above tariff, down \$48 from last week and \$1,223 higher than last year.

Barge

During the week ending February 1, **barge grain movements** totaled 620,286 tons—14.5 percent lower than the previous week but 44.7 percent higher than the same period last year.

During the week ending February 1, 378 grain barges **moved down river**, down 21 percent from last week; 682 grain barges were **unloaded in New Orleans**, down 11.5 percent from the previous week.

Ocean

During the week ending January 30, 37 **ocean-going grain vessels** were loaded in the Gulf, 5 percent less than the same period last year. Ninety-seven vessels are expected to be loaded within the next 10 days, 106 percent more than the same period last year.

During the week ending January 24, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$56.50 per mt, unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$28 per mt, unchanged from the previous week.

Containerized Grain Exports

Containerized grain exports to Asia in November reached a new record of more than 72,000 TEU 85 percent higher than the previous year, 77 percent higher than the 4-year average, and 22 percent higher than October movements.

Feature Article/Calendar

Despite Mid-Year Rally, Bulk Ocean Freight Rates Remain Moderate in 2013

An increase in bulk shipments of iron ore, coal, and grains, especially during the third and fourth quarters of 2013, led to a moderate increase in ocean freight rates during those periods (see GTR figure 17). However, the average ocean freight rates in 2013 remain relatively unchanged from the previous year. In 2013, the average cost of shipping a metric ton of grain from the U.S. Gulf to Japan was \$49.09 compared to \$49.24 in 2012. Likewise, the cost of shipping a metric ton of grain from the Pacific Northwest (PNW) to Japan was \$26.52 in 2013, compared to \$26.94 in 2012.

Following the onset of the global economic downturn during the third quarter of 2008, ocean freight rates plunged into some of its lowest numbers in recent history during the 4th quarter of 2008. Ever since, ocean freight rates have been fluctuating, but have not reached the levels they were in 2008 before the economic downturn. The Baltic Exchange's main sea index, which tracks freight rates for ships carrying dry bulk commodities such as coal, iron ore, and grain, climbed to 1,171 points on June 21, 2013 after plunging to a 16-year low of 647 a year earlier. The index has climbed about 65 percent since the beginning of the year, but the highest point on record was 11,793 in 2008.

The year began with declining ocean freight rates that started towards the end of the third quarter in 2012. The trend continued until June, culminating in falling ocean freight rates during the first and second quarters of 2013. The fall was partly due to excess vessel supply and lagging demand for bulk shipments. During 2012, the dry-bulk fleet grew by 70 million deadweight tons (mdwt). A wave of optimism across the freight market encouraged ship owners to place orders for new vessels and slow the retirement of older vessels. These actions put downward pressure on ocean freight rates. Other factors that contributed to the low ocean rates include weather disruptions in Australia, labor disputes in several countries, and an indefinite strike at the largest Colombian thermal coal exporter. The labor strike reduced Colombian coal exports by 53 percent in February. In Australia, heavy rainfall damaged some rail networks, reducing coal exports by as much as 19 percent at four major ports in Queensland in January ([GTR, dated 05/02/13](#)). Indonesia coal shipments were hampered by severe rains in East Kalimantan during May. Chinese steel prices weakened as the housing inflation rate rose to a 2-year high in April, causing developers to postpone decisions ([GTR, dated 07/25/13](#)).

Rates began to climb at the beginning of the third quarter, driven by increased iron ore imports by China and a surge in U.S. grain exports ([GTR, dated 11/7/13](#)). In July, higher rates in the Pacific region were driven by iron shipments to China. In the Atlantic region, grain exports from the U.S. Gulf and Argentina both increased, as did coal shipments. The rates continued to climb during September as robust grain, thermal coal, and mineral shipments continued, along with Chinese restocking of raw materials. Iron ore shipments from Australia and Brazil also increased. Transatlantic rates surged as demand for Panamax vessels increased in the U.S. Gulf because of an increase in grain cargoes. Rates continued to increase through October, decreased slightly in November, and then surged again in December because of an increased demand for coal in Europe due to adverse weather and Chinese restocking for the Lunar New Year.

Market outlook: Most industry analysts predict that 2014 will be the big turnaround year for freight markets. Although the market is still plagued by excess vessel supply, the rate of new deliveries has slowed down from previous years. According to a January 21 report by O'Neil Commodity Consulting, about 60 mdwt of new dry bulk vessels were delivered in 2013—the lowest annual total since 2009 and

40 percent less than 2012. As of December, the global dry bulk operating fleet stood at 721 mdwt (table 1) and the scheduled deliveries until 2017 stood at 142.2 mdwt, which is 19.8 percent of the existing fleet

Table 1: Global dry bulk operating fleet, December 2013

Type of vessel	Size (dwt)	No. of vessels	Capacity (mdwt)
Handysize	10,000-40,000	3,002	84.9
Handymax	40,000-65,000	2,973	157.5
Panamax	60,000-85,000	1,917	146.3
Post-Panamax	85,000-120,000	503	48.8
Capesize	120,000-220,000	1,257	223.2
Vloc	220,000+	203	59.7
Total		9,855	721

Source: Drewry Shipping Consultants.

(table 2). If the scheduled deliveries materialize, it will take a reasonable improvement in the world economy and a sustained increase in global dry bulk shipments to absorb the excess vessel supply. Currently, the rate for shipping

a metric ton of grain from the U.S. Gulf to Japan is \$56.50 and the rate from the PNW to Japan is \$28. These rates are above last year's average rates for both shipping locations. The question remains, are they sustainable? If so, for how long? For rates to increase significantly, new vessel deliveries must slow considerably, and retirement or scrapping of older vessels must increase significantly. For instance only 307 vessels were scrapped in 2013 compared to 476 in 2012—a decline of 35 percent. Meanwhile, given the current relatively low grain prices, moderate ocean freight rates could boost U.S. exports overseas.

Table 2: Global dry bulk orderbook, 2014-2017

Type of vessel	Size (dwt)	No. of vessels	Capacity (mdwt)	% of existing fleet
Handysize	10,000-40,000	438	14.955	17.5%
Handymax	40,000-65,000	613	35.447	22.5%
Panamax	65,000-85,000	396	31.363	21.4%
Post-Panamax	85,000-120,000	61	6.049	12.6%
Capesize	120,000-220,000	238	44.600	20.0%
Vloc	220,000+	36	9.813	17.2%
Total		1,782	142.227	19.8%

Source: Drewry Shipping Consultants.

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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck		Rail		Barge	Ocean	
		Unit Train	Shuttle			Gulf	Pacific
02/05/14	265	283	263		n/a*	253	199
01/29/14	262	294	264		328	253	199

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

Source: Transportation & Marketing Programs/AMS/USDA

*No quote for Illinois River as ice accumulation severely limited barge operations.

Table 2

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

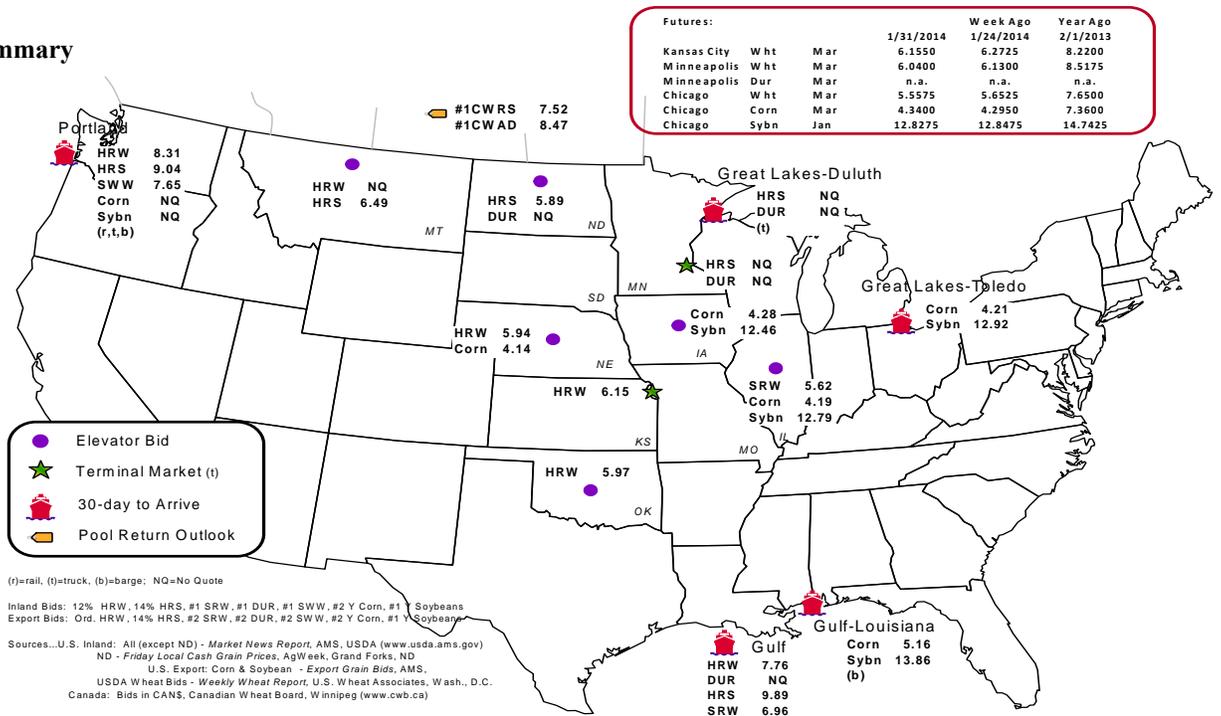
Commodity	Origin--Destination	1/31/2014	1/24/2014
Corn	IL--Gulf	-0.97	-0.93
Corn	NE--Gulf	-1.02	-0.97
Soybean	IA--Gulf	-1.40	-1.52
HRW	KS--Gulf	-1.61	-1.61
HRS	ND--Portland	-3.15	-3.91

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		Pacific	Atlantic &		Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf				
1/29/2014 ^P	1,269	1,451	7,069	847	10,636	1/25/2014	1,942	
1/22/2014 ^r	1,589	1,726	6,477	1,027	10,819	1/18/2014	1,525	
2014 YTD ^r	6,422	7,845	28,568	3,735	46,570	2014 YTD	8,437	
2013 YTD ^r	5,246	3,597	21,914	3,673	34,430	2013 YTD	5,116	
2014 YTD as % of 2013 YTD	122	218	130	102	135	% change YTD	165	
Last 4 weeks as % of 2013 ²	102	180	122	98	121	Last 4wks % 2013	177	
Last 4 weeks as % of 4-year avg. ²	180	112	125	102	126	Last 4wks % 4 yr	117	
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	70,298	
Total 2012	22,604	40,780	199,419	24,659	287,462	Total 2012	92,008	

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2013 and prior 4-year average.

³ Cross-border weekly data is approximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

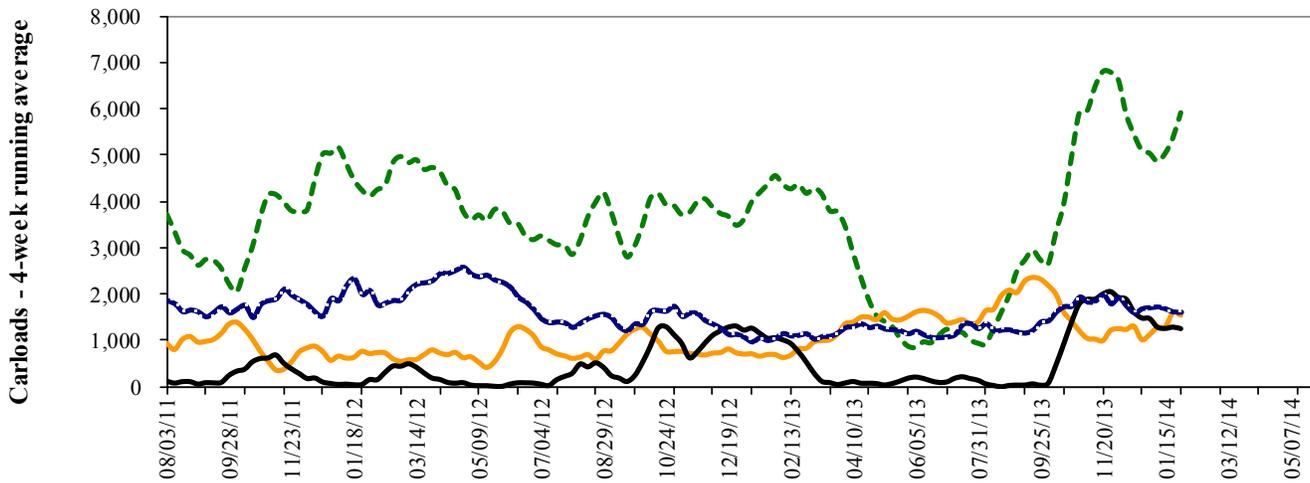
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 29 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



--- Pacific Northwest: 4 wks. ending 1/29--up 30% from same period last year; up 47% from 4-year average
--- Texas Gulf: 4 wks. ending 1/29--up 122% from same period last year; up 23% from 4-year average
--- Miss. River: 4 wks. ending 1/29--up 19% from same period last year; up 78% from 4-year average
--- Cross-border Mexico: 4 wks. ending 1/25--up 52% from same period last year; up 3% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

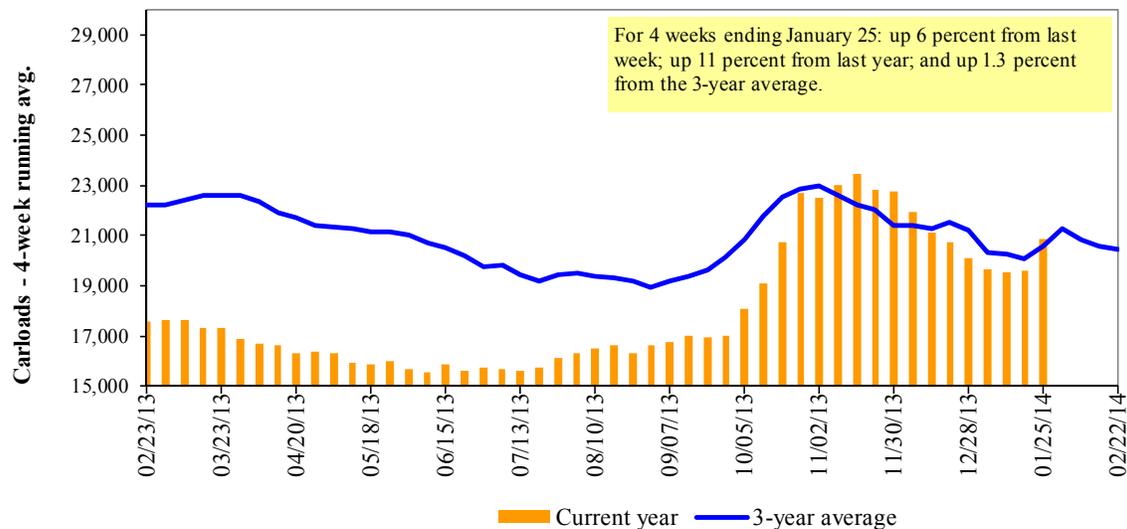
Table 4

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
01/25/14	2,273	3,516	9,216	1,175	6,995	23,175	3,702	4,924
This week last year	1,182	2,475	10,346	642	3,987	18,632	3,702	5,708
2014 YTD	8,772	12,487	33,611	4,234	24,330	83,434	15,554	18,706
2013 YTD	6,249	11,046	40,117	2,298	15,311	75,021	15,937	23,092
2014 YTD as % of 2013 YTD	140	113	84	184	159	111	98	81
Last 4 weeks as % of 2013	140	113	84	184	159	111	98	81
Last 4 weeks as % of 3-yr avg. ¹	105	107	79	177	118	98	104	91
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

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							
	Feb-14	Feb-13	Mar-14	Mar-13	Apr-14	Apr-13	May-14	May-13
BNSF ³								
COT grain units	no offer	no bids	no offer	no bids	379	no bids	278	no bids
COT grain single-car ⁵	no offer	0 . . 12	no offer	no bids	280 . . 500	no bids	200 . . 500	0
UP ⁴								
GCAS/Region 1	no offer	no bids	no offer	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no offer	no bids	no offer	no bids	no offer	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.

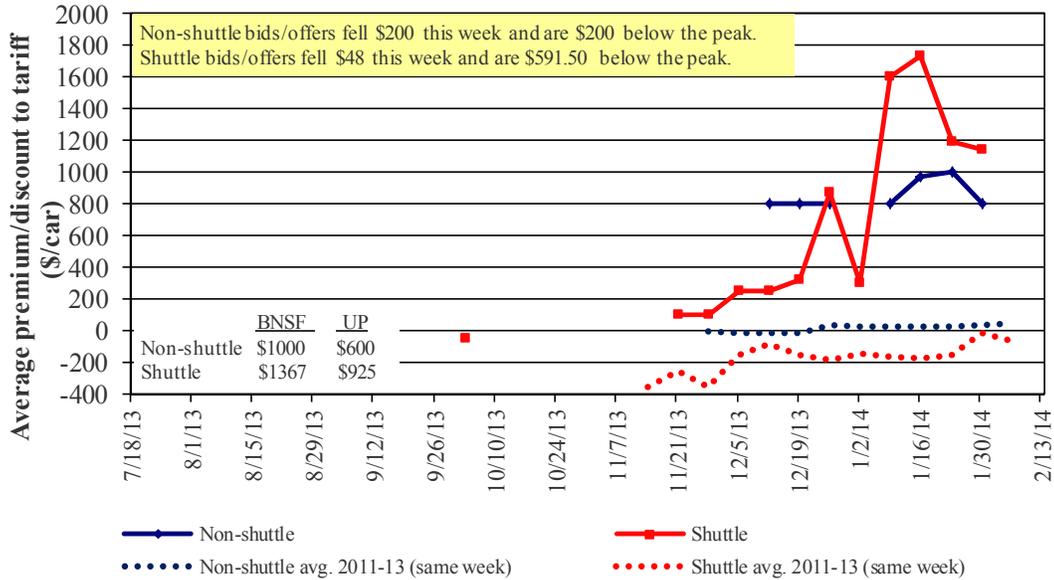
⁵Range is shown because average is not available. Not available = n/a.

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 February 2014, Secondary Market

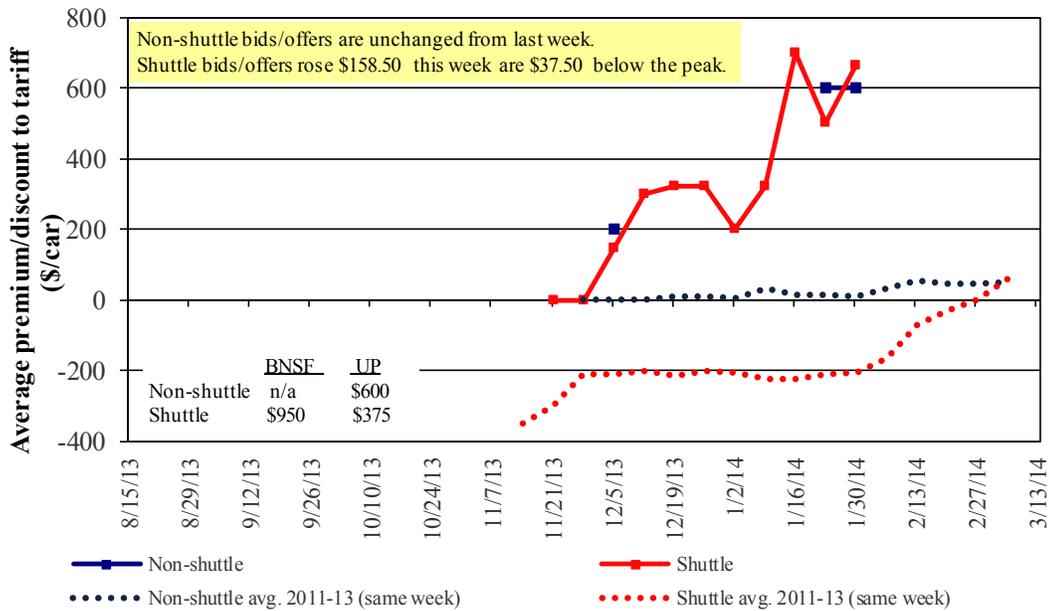


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in March 2014, Secondary Market

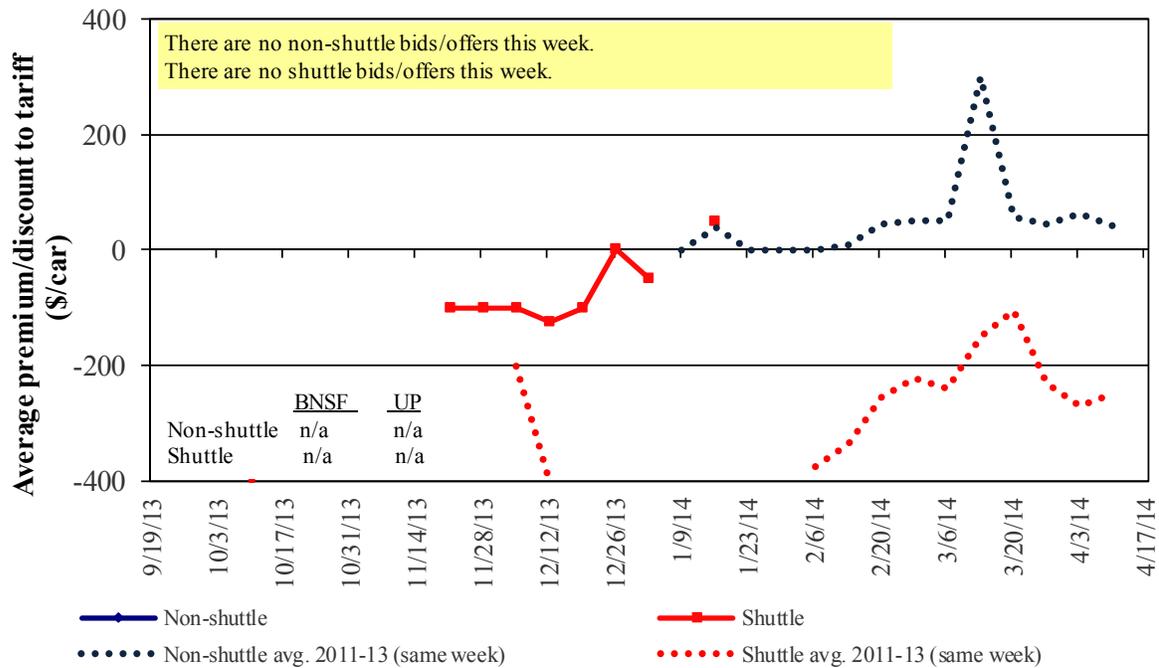


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in April 2014, 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					
	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14
Non-shuttle						
BNSF-GF	1,000	n/a	n/a	n/a	n/a	n/a
Change from last week	(500)	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	1,013	n/a	n/a	n/a	n/a	n/a
UP-Pool	600	600	n/a	n/a	n/a	n/a
Change from last week	100	-	n/a	n/a	n/a	n/a
Change from same week 2013	600	600	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	1,367	950	n/a	n/a	n/a	n/a
Change from last week	(233)	250	n/a	n/a	n/a	n/a
Change from same week 2013	1,421	n/a	n/a	n/a	n/a	n/a
UP-Pool	925	375	n/a	n/a	n/a	n/a
Change from last week	137	67	n/a	n/a	n/a	n/a
Change from same week 2013	1,025	550	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 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
2/1/2014	Origin region*	Destination region*	rate/car	surcharge per car	metric ton	bushe ^l ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,191	\$182	\$33.50	\$0.91	1
	Grand Forks, ND	Duluth-Superior, MN	\$3,596	\$104	\$36.75	\$1.00	1
	Wichita, KS	Los Angeles, CA	\$6,244	\$536	\$67.32	\$1.83	3
	Wichita, KS	New Orleans, LA	\$3,808	\$320	\$41.00	\$1.12	4
	Sioux Falls, SD	Galveston-Houston, TX	\$5,824	\$440	\$62.20	\$1.69	4
	Northwest KS	Galveston-Houston, TX	\$4,076	\$351	\$43.96	\$1.20	3
	Amarillo, TX	Los Angeles, CA	\$4,275	\$489	\$47.30	\$1.29	3
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,192	\$362	\$35.29	\$0.90	2
	Toledo, OH	Raleigh, NC	\$4,686	\$416	\$50.66	\$1.29	3
	Des Moines, IA	Davenport, IA	\$2,078	\$77	\$21.40	\$0.54	3
	Indianapolis, IN	Atlanta, GA	\$4,061	\$312	\$43.43	\$1.10	3
	Indianapolis, IN	Knoxville, TN	\$3,469	\$200	\$36.44	\$0.93	3
	Des Moines, IA	Little Rock, AR	\$3,218	\$225	\$34.19	\$0.87	2
	Des Moines, IA	Los Angeles, CA	\$5,215	\$656	\$58.30	\$1.48	2
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,624	\$395	\$39.91	\$1.09	-1
	Toledo, OH	Huntsville, AL	\$3,687	\$295	\$39.55	\$1.08	3
	Indianapolis, IN	Raleigh, NC	\$4,756	\$419	\$51.39	\$1.40	3
	Indianapolis, IN	Huntsville, AL	\$3,379	\$200	\$35.54	\$0.97	3
	Champaign-Urbana, IL	New Orleans, LA	\$3,748	\$362	\$40.82	\$1.11	3
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,678	\$308	\$39.58	\$1.08	2
	Wichita, KS	Galveston-Houston, TX	\$3,798	\$240	\$40.10	\$1.09	4
	Chicago, IL	Albany, NY	\$3,950	\$390	\$43.10	\$1.17	4
	Grand Forks, ND	Portland, OR	\$5,159	\$532	\$56.51	\$1.54	1
	Grand Forks, ND	Galveston-Houston, TX	\$6,084	\$554	\$65.92	\$1.79	0
	Northwest KS	Portland, OR	\$5,043	\$576	\$55.80	\$1.52	2
Corn	Minneapolis, MN	Portland, OR	\$5,000	\$648	\$56.09	\$1.42	3
	Sioux Falls, SD	Tacoma, WA	\$4,960	\$593	\$55.15	\$1.40	3
	Champaign-Urbana, IL	New Orleans, LA	\$3,011	\$362	\$33.50	\$0.85	2
	Lincoln, NE	Galveston-Houston, TX	\$3,510	\$346	\$38.29	\$0.97	5
	Des Moines, IA	Amarillo, TX	\$3,590	\$283	\$38.46	\$0.98	2
	Minneapolis, MN	Tacoma, WA	\$5,000	\$643	\$56.03	\$1.42	3
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,400	\$665	\$50.29	\$1.28	3
	Sioux Falls, SD	Tacoma, WA	\$5,520	\$593	\$60.71	\$1.65	3
	Minneapolis, MN	Portland, OR	\$5,530	\$648	\$61.35	\$1.67	3
	Fargo, ND	Tacoma, WA	\$5,430	\$527	\$59.16	\$1.61	3
	Council Bluffs, IA	New Orleans, LA	\$4,175	\$418	\$45.61	\$1.24	5
	Toledo, OH	Huntsville, AL	\$2,862	\$295	\$31.35	\$0.85	3
	Grand Island, NE	Portland, OR	\$5,110	\$589	\$56.60	\$1.54	-2

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

75-120 cars that meet railroad efficiency requirements.

²Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat & 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	\$6,360	\$563	\$70.73	\$1.92	-6
	OK	Cuautitlan, EM	\$6,156	\$684	\$69.88	\$1.90	-6
	KS	Guadalajara, JA	\$6,559	\$660	\$73.77	\$2.01	-11
	TX	Salinas Victoria, NL	\$2,898	\$258	\$32.24	\$0.88	-18
Corn	IA	Guadalajara, JA	\$7,974	\$777	\$89.41	\$2.27	3
	SD	Celaya, GJ	\$7,656	\$736	\$85.75	\$2.18	3
	NE	Queretaro, QA	\$7,317	\$690	\$81.81	\$2.08	2
	SD	Salinas Victoria, NL	\$5,880	\$560	\$65.80	\$1.67	2
	MO	Tlalnepantla, EM	\$6,755	\$670	\$75.87	\$1.93	2
	SD	Torreón, CU	\$6,722	\$617	\$74.98	\$1.90	2
Soybeans	MO	Bojay (Tula), HG	\$7,868	\$655	\$87.08	\$2.37	3
	NE	Guadalajara, JA	\$8,447	\$749	\$93.96	\$2.55	3
	IA	El Castillo, JA	\$8,855	\$732	\$97.95	\$2.66	3
	KS	Torreón, CU	\$6,864	\$465	\$74.88	\$2.04	3
Sorghum	TX	Guadalajara, JA	\$6,953	\$479	\$75.94	\$1.93	7
	NE	Celaya, GJ	\$7,212	\$669	\$80.51	\$2.04	2
	KS	Queretaro, QA	\$6,650	\$420	\$72.24	\$1.83	-3
	NE	Salinas Victoria, NL	\$5,368	\$492	\$59.87	\$1.52	-2
	NE	Torreón, CU	\$6,243	\$549	\$69.40	\$1.76	1

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.

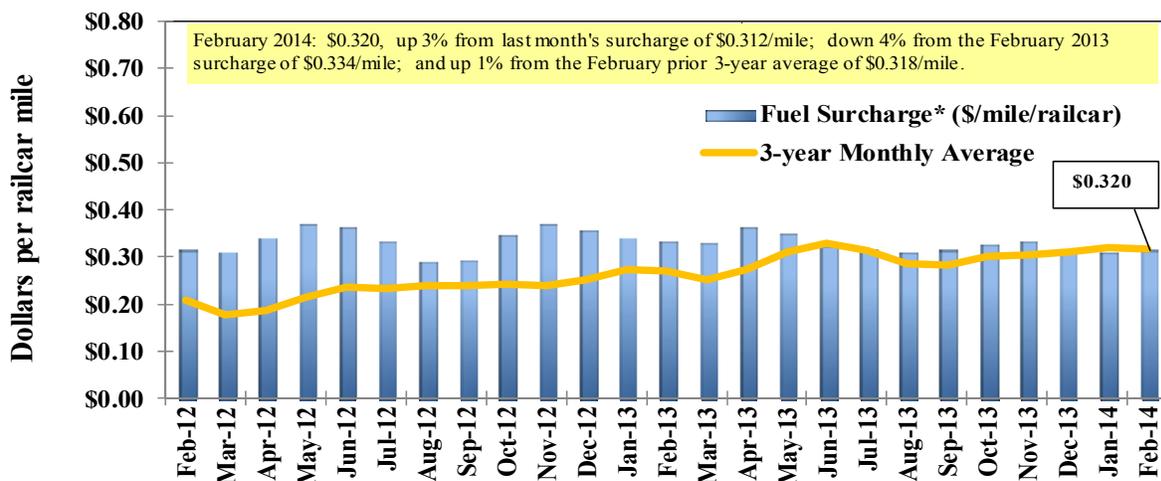
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

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

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.

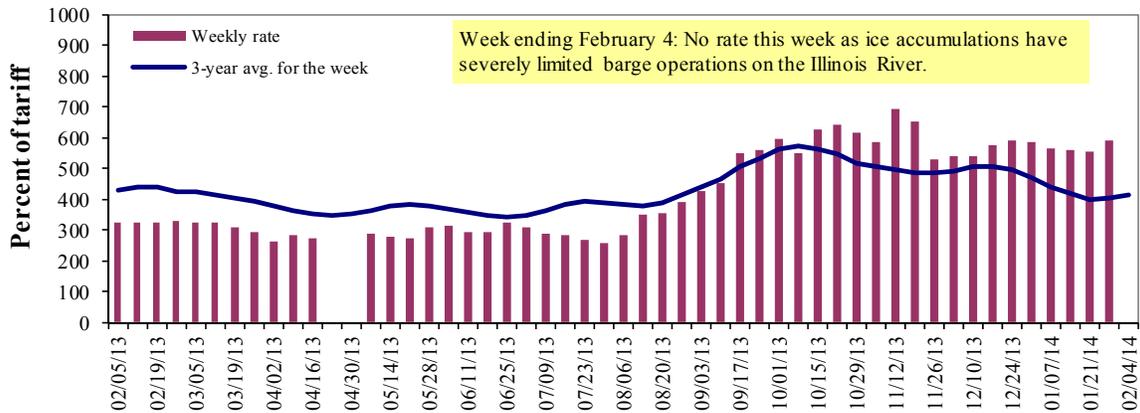
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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	2/4/2014	--	--	--	492	492	492	342
	1/28/2014	--	--	590	492	475	475	325
\$/ton	2/4/2014	--	--	--	19.63	23.07	19.88	10.74
	1/28/2014	--	--	27.38	19.63	22.28	19.19	10.21
Current week % change from the same week:								
	Last year	--	--	--	98	136	136	78
	3-year avg. ²	--	--	--	46	46	46	27
Rate¹	March	--	458	445	382	397	397	297
	May	437	423	407	325	355	355	275

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; No rates reported on Illinois River due to ice.

Source: Transportation & Marketing Programs/AMS/USDA

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 9

Benchmark tariff rates

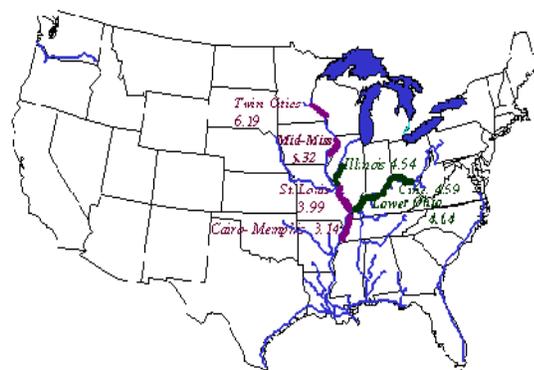
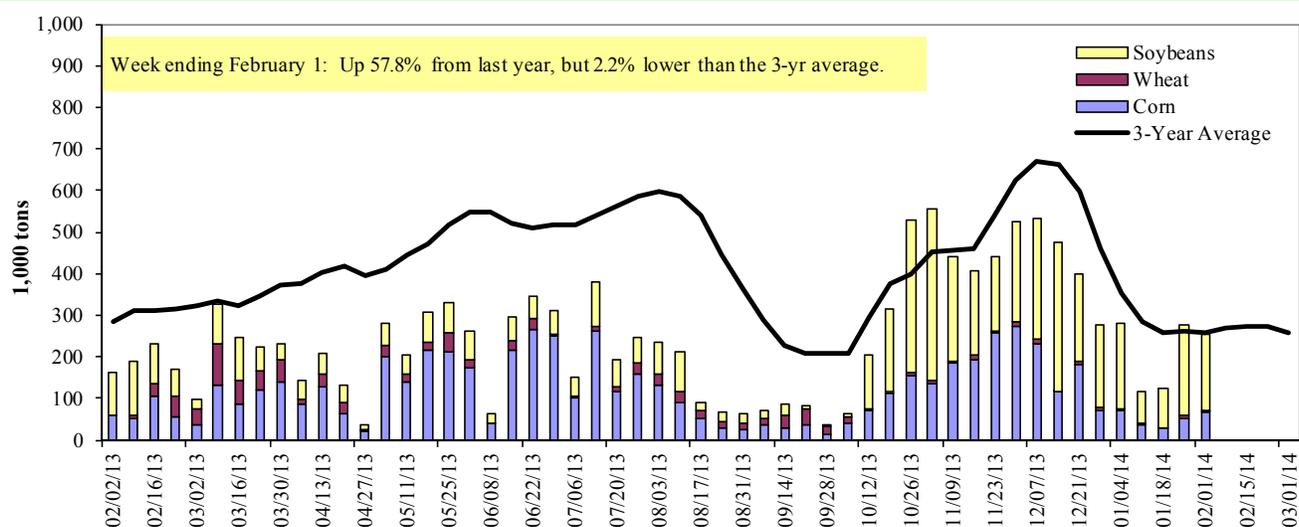


Figure 10

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

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

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

Week ending 2/1/2014	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)	91	0	150	0	240
Granite City, IL (L27)	69	2	183	0	254
Illinois River (L8)	39	0	114	0	153
Ohio River (L52)	160	2	170	4	336
Arkansas River (L1)	0	4	27	0	31
Weekly total - 2014	229	8	380	4	620
Weekly total - 2013	91	40	297	1	429
2014 YTD ¹	965	94	1,786	30	2,875
2013 YTD	389	227	1,611	20	2,247
2014 as % of 2013 YTD	248	41	111	149	128
Last 4 weeks as % of 2013 ²	237	35	109	151	124
Total 2013	9,504	4,111	10,065	255	23,935

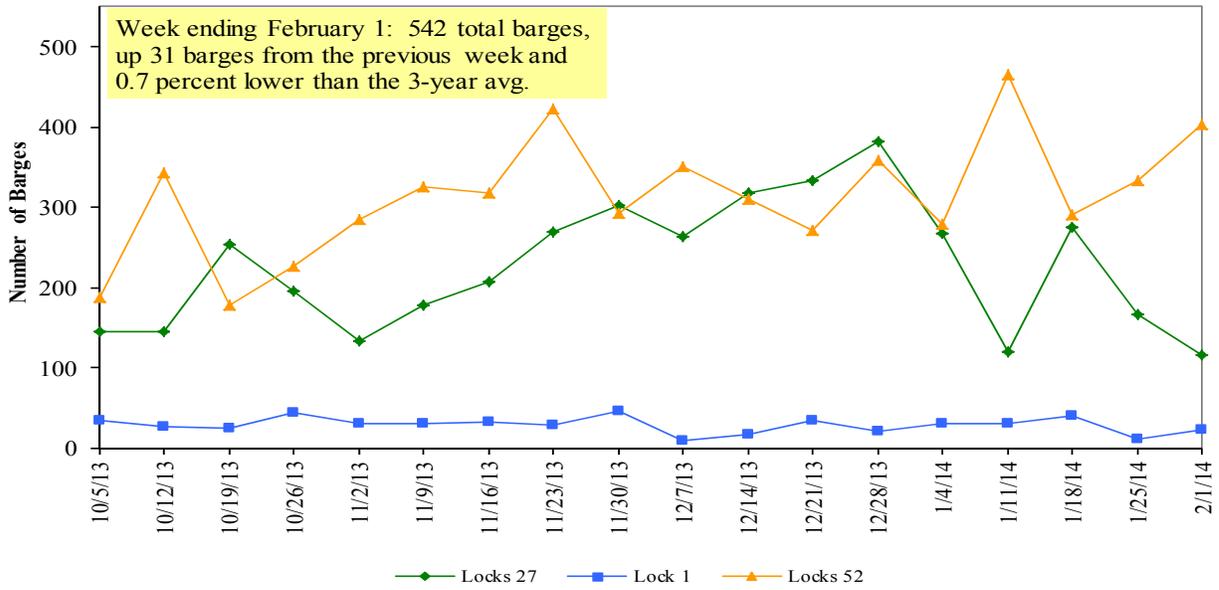
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

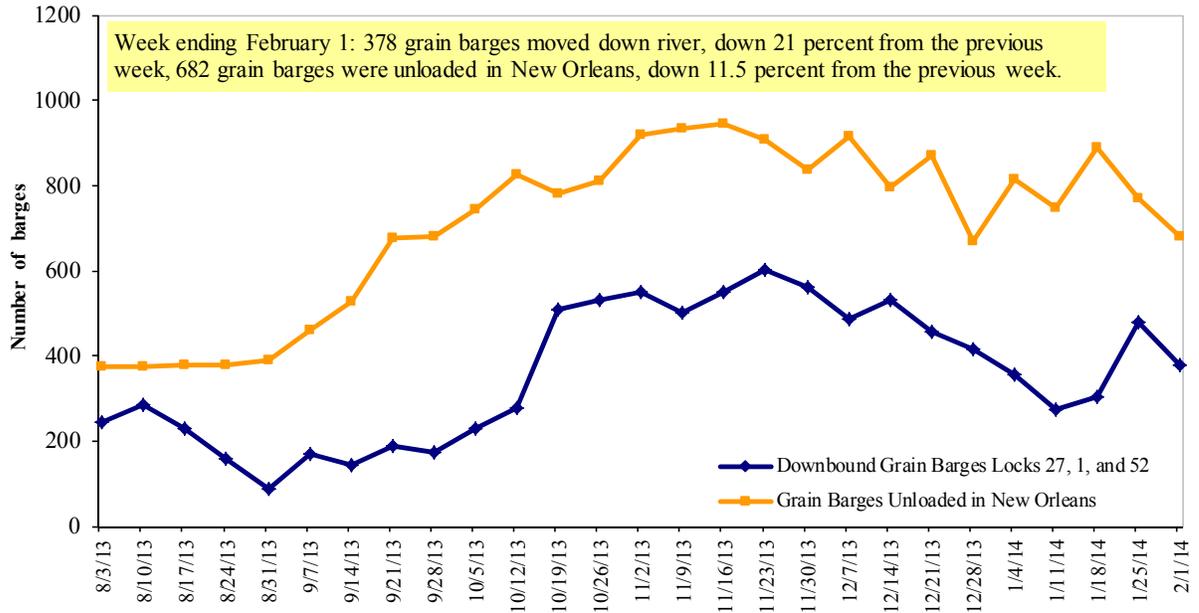
Source: U.S. Army Corps of Engineers

Figure 11
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



Source: U.S. Army Corps of Engineers and GIPSA

Truck Transportation

The weekly diesel price provides a proxy for trends in U.S. truck rates as diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 2/3/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.070	0.074	-0.018
	New England	4.305	0.134	0.068
	Central Atlantic	4.281	0.137	0.116
	Lower Atlantic	3.868	0.016	-0.133
II	Midwest ²	3.942	0.068	-0.036
III	Gulf Coast ³	3.775	0.003	-0.166
IV	Rocky Mountain	3.860	-0.003	0.016
V	West Coast	3.994	0.015	-0.172
	West Coast less California	3.902	0.027	-0.174
	California	4.072	0.004	-0.170
Total	U.S.	3.951	0.047	-0.071

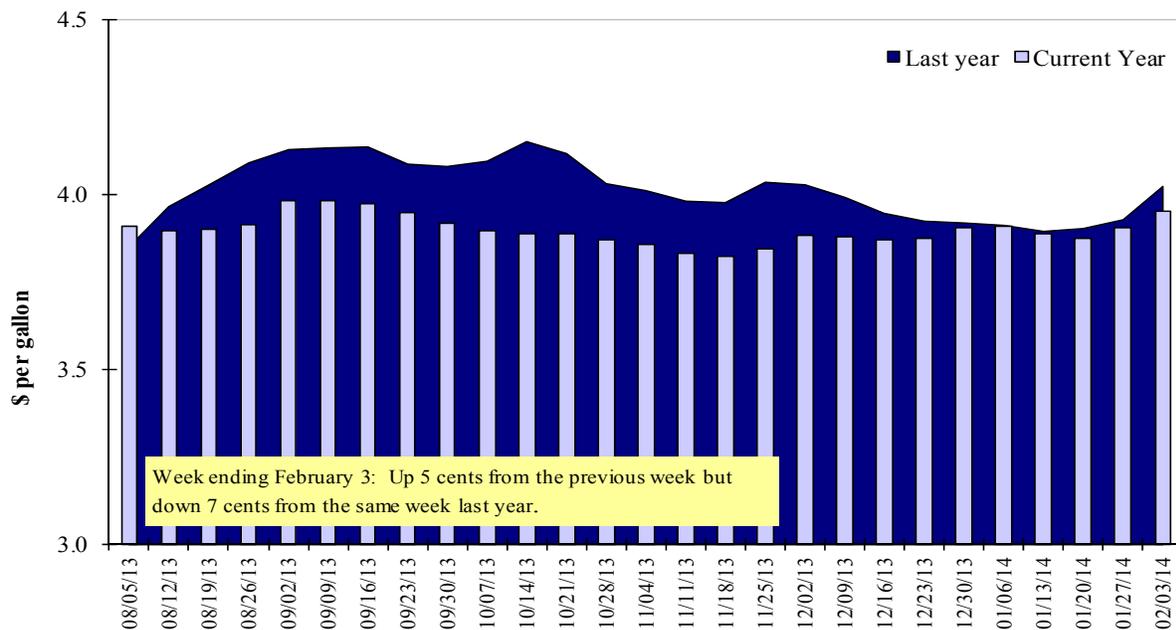
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
1/23/2014	1,600	981	1,530	980	166	5,256	17,617	12,359	35,232
This week year ago	1,747	1,627	1,135	1,019	107	5,635	5,572	7,603	18,810
Cumulative exports-marketing year²									
2013/14 YTD	8,135	5,902	3,852	2,665	297	20,850	14,257	30,219	65,326
2012/13 YTD	5,960	1,981	3,781	3,020	330	15,072	7,916	25,724	48,712
YTD 2013/14 as % of 2012/13	136	298	102	88	90	138	180	117	134
Last 4 wks as % of same period 2012/13	88	63	129	85	138	89	305	187	193
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year 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 1/23/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 2012/13
	2013/14 Current MY	2012/13 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	6,284	4,482	40	7,000
Mexico	8,152	3,125	161	4,370
China	4,862	1,693	187	2,450
Venezuela	458	283	62	1,158
Taiwan	833	340	145	512
Top 5 Importers	20,589	9,923	107	15,490
Total US corn export sales	31,874	13,487	136	18,670
% of Projected	86%	73%		
Change from prior week	1,778	187		
Top 5 importers' share of U.S. corn export sales	65%	74%		83%
USDA forecast, January 2014	36,896	18,601	98	
Corn Use for Ethanol USDA forecast, January 2014	127,000	118,059	8	

(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, or Export Sales Query--
<http://www.fas.usda.gov/esrquery/>

³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm (Carry-over plus Accumulated Exports)

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 1/23/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 2012/13
	2013/14 Current MY	2012/13 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	27,332	20,159	36	21,522
Mexico	2,168	1,583	37	2,565
Japan	1,248	1,214	3	1,751
Indonesia	1,366	835	64	1,682
Taiwan	946	856	10	1,120
Top 5 importers	33,060	24,648	34	28,641
Total US soybean export sales	42,578	33,326	28	37,060
% of Projected	105%	93%		
Change from prior week	429	386		
Top 5 importers' share of U.S. soybean export sales	78%	74%		
USDA forecast, January 2014	40,736	35,967	13	

(n) indicates negative number.

¹Based on FAS 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, or Export Sales Query--
http://www.fas.usda.gov/esquery/³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 1/23/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 2012/13
	2013/14 Current MY	2012/13 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,155	2,807	(23)	3,544
Nigeria	2,322	2,350	(1)	3,002
Mexico	2,425	2,439	(1)	2,761
Philippines	1,552	1,706	(9)	1,965
Egypt	229	223	3	1,678
Korea	1,171	1,292	(9)	1,385
Taiwan	810	810	0	1,038
China	4,197	580	624	743
Brazil	3,625	89	3973	527
Colombia	623	466	34	600
Top 10 importers	19,109	12,763	50	17,243
Total US wheat export sales	26,106	20,850	25	26,348
% of Projected	85%	76%		
Change from prior week	795	438		
Top 10 importers' share of U.S. wheat export sales	73%	61%		65%
USDA forecast, January 2014	30,654	27,439	12	

(n) indicates negative number.

¹Based on FAS 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, or Export Sales Query--http://www.fas.usda.gov/esquery/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 01/30/14	Previous Week ¹	Current Week as % of Previous	2014 YTD ¹	2013 YTD ¹	2014 YTD as % of 2013 YTD	Last 4-weeks as % of		Total ¹ 2013
							2013	3-yr. avg.	
Pacific Northwest									
Wheat	195	171	114	1,107	880	126	136	128	11,585
Corn	130	137	95	509	321	159	153	110	2,973
Soybeans	403	518	78	2,102	989	213	129	157	9,090
Total	728	826	88	3,719	2,190	170	134	138	23,647
Mississippi Gulf									
Wheat	34	79	43	420	340	123	132	111	9,711
Corn	271	473	57	1,950	754	259	311	127	14,828
Soybeans	613	1,195	51	4,641	2,904	160	132	141	21,462
Total	918	1,747	53	7,010	3,998	175	158	135	46,002
Texas Gulf									
Wheat	64	120	53	548	360	152	173	96	9,039
Corn	22	0	n/a	82	2	n/a	n/a	705	255
Soybeans	0	0	n/a	186	73	256	393	200	908
Total	85	120	71	816	435	188	234	125	10,203
Interior									
Wheat	25	20	126	98	117	84	166	94	1,244
Corn	127	113	112	515	158	327	144	114	3,943
Soybeans	132	79	166	478	319	150	222	109	3,212
Total	284	213	134	1,091	594	184	69	110	8,399
Great Lakes									
Wheat	0	0	n/a	0	2	0	n/a	0	884
Corn	0	0	n/a	0	0	n/a	n/a	0	0
Soybeans	0	0	n/a	0	1	0	95	157	699
Total	0	0	n/a	0	4	0	95	157	1,583
Atlantic									
Wheat	0	7	3	7	24	31	n/a	0	645
Corn	0	0	n/a	2	0	n/a	n/a	36	242
Soybeans	83	100	83	386	239	161	162	180	1,652
Total	83	107	77	396	263	150	166	129	2,540
U.S. total from ports²									
Wheat	318	398	80	2,180	1,724	126	144	114	33,108
Corn	551	724	76	3,058	1,235	248	222	104	22,241
Soybeans	1,230	1,892	65	7,793	4,526	172	155	168	37,024
Total	2,099	3,014	70	13,031	7,484	174	165	138	92,373

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

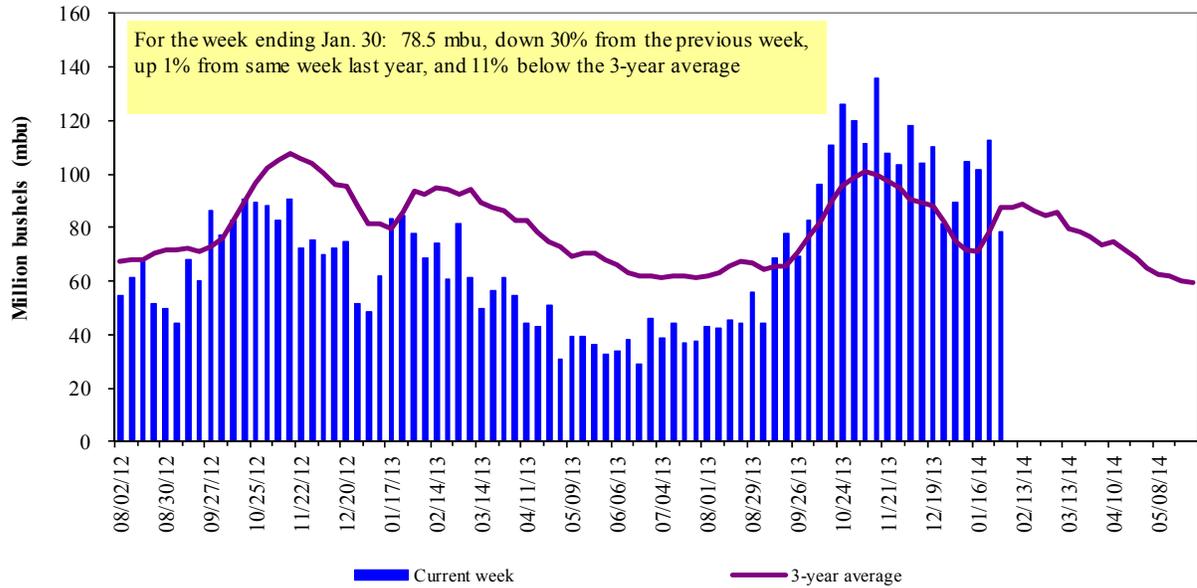
² Total includes only port regions shown above; Interior land-based shipments now included.

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 56 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2012.

Figure 14

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

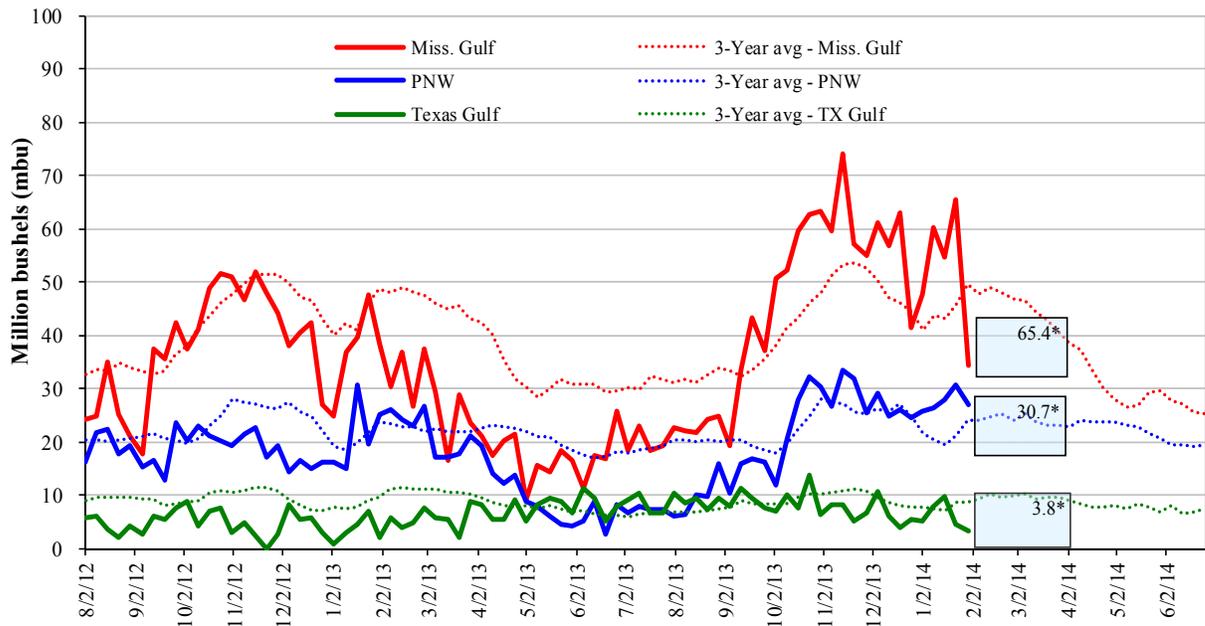


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

Jan. 30 : % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	down 47	down 28	down 46	down 12
Last year (same week)	down 10	up 50	down 7	up 8
3-yr avg. (4-wk mov. avg.)	down 26	down 56	down 31	down 0.8

Ocean Transportation

Table 17

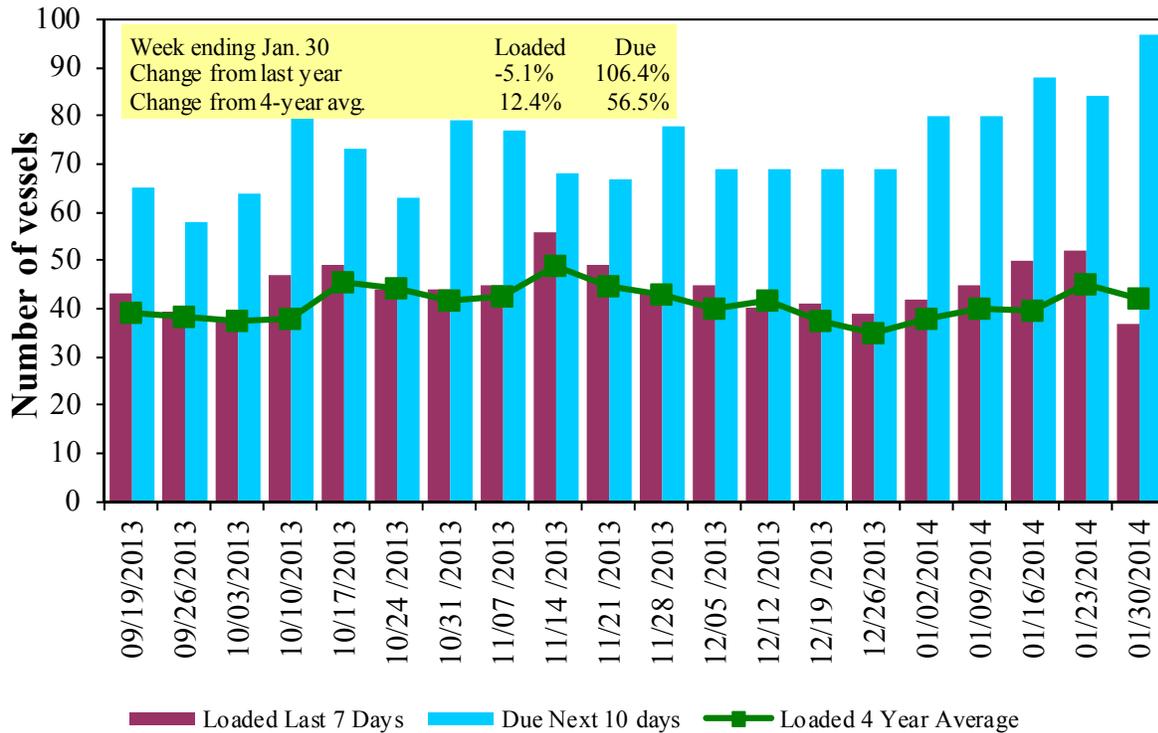
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
1/30/2014	69	37	97	16	n/a
1/23/2014	68	52	84	15	n/a
2013 range	(16..60)	(20..56)	(31..81)	(0..24)	n/a
2013 avg.	32	33	51	12	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity

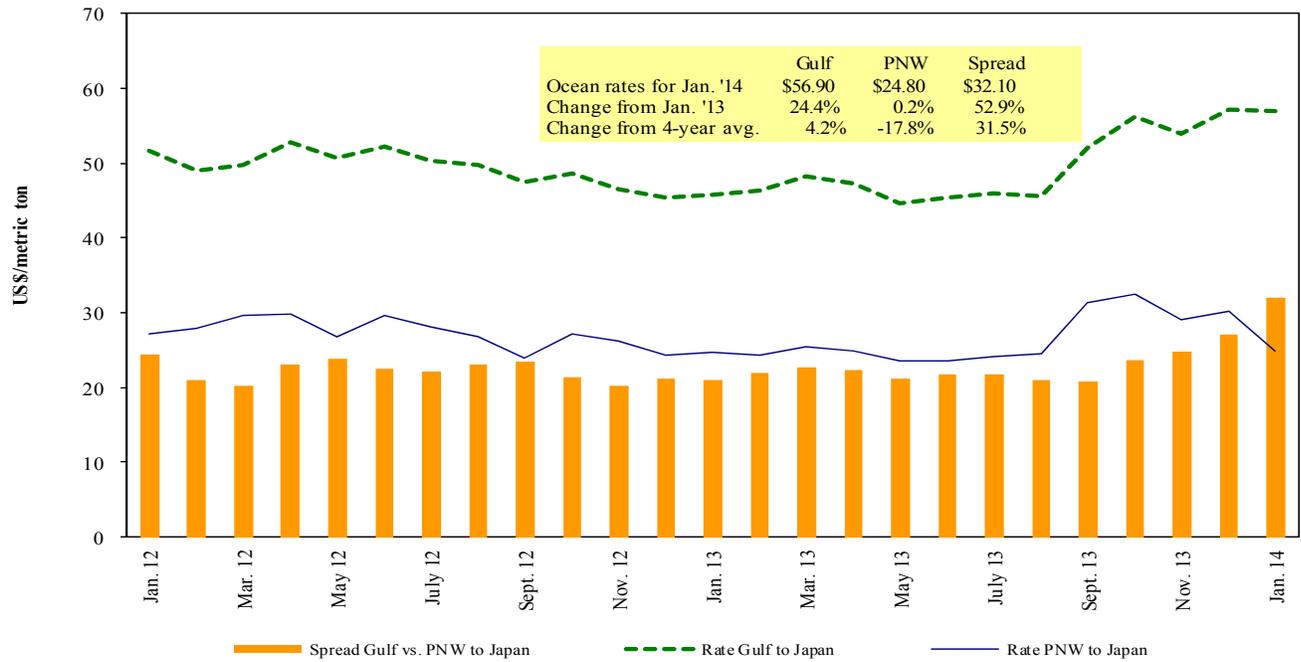


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 2/1/2014

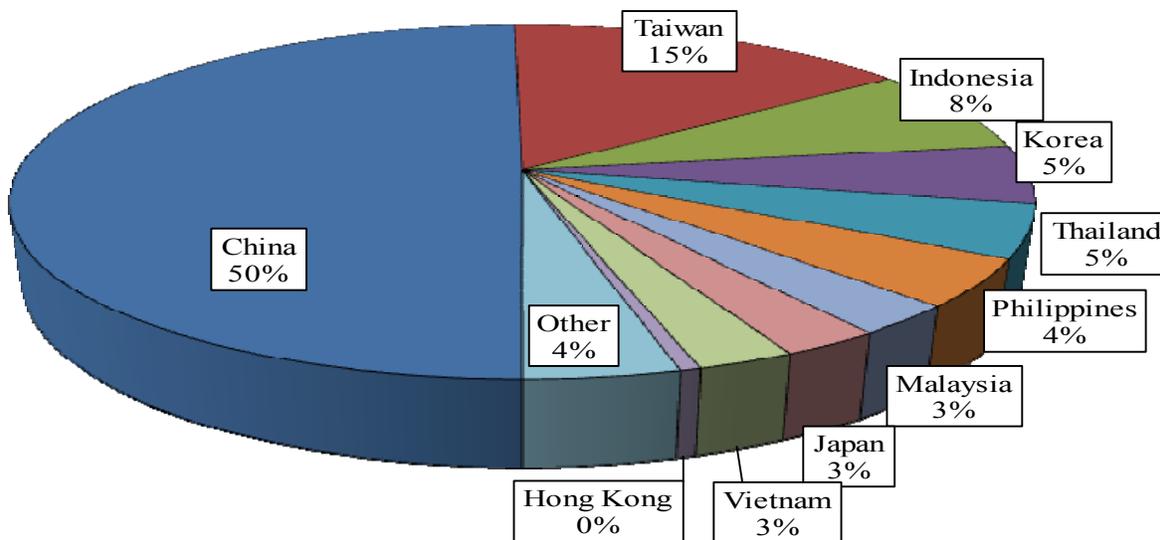
Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Feb 10/15	60,000	52.50
U.S. Gulf	China	Heavy Grain	Feb 1/10	60,000	54.00
U.S. Gulf	China	Heavy Grain	Jan 20/30	55,000	53.50
U.S. Gulf	China	Heavy Grain	Jan 15/30	55,000	55.00
U.S. Gulf	China	Heavy Grain	Jan 15/30	55,000	47.50
U.S. Gulf	China	Heavy Grain	31-Jan	58,000	56.50
U.S. Gulf	China	Heavy Grain	Dec 15/25	60,000	54.00
U.S. Gulf	China	Heavy Grain	Dec 10/20	55,000	49.00
U.S. Gulf	China	Heavy Grain	Jan 1/15	55,000	58.00
U.S. Gulf	China	Heavy Grain	Jan 1/10	60,000	57.50
U.S. Gulf	S. Korea	Heavy Grain	Dec 5/20	58,000	54.00
PNW	Nicaragua ¹	Soybean Meal	Feb 10/20	6,000	292.85
Brazil	Rotterdam	Soybean Meal	Jan 20/29	30,000	33.00
France	Algeria	Heavy Grain	Dec 10/20	25,000	27.50
Ukraine	Sp Mediterranean	Grain	Dec 26/31	60,000	17.00

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

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

In 2012, containers were used to transport 8 percent of total U.S. waterborne grain exports, up 1 percentage point from 2011. Approximately 66 percent of U.S. waterborne grain exports in 2012 went to Asia, of which 11 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—96 percent in 2012.

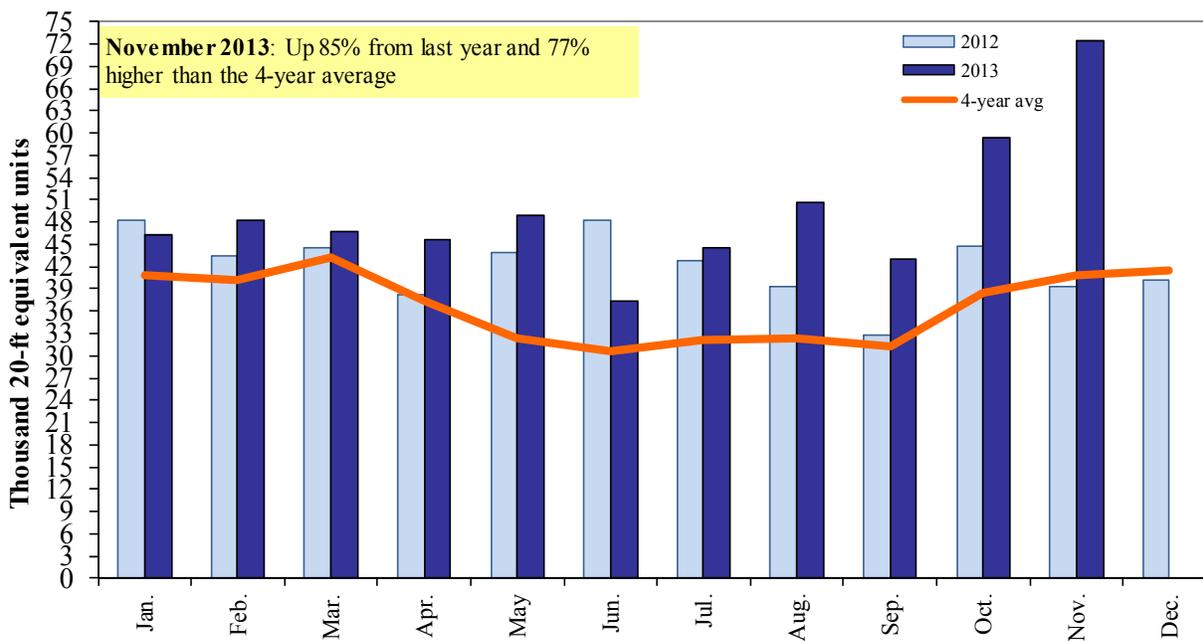
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, November 2013



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

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

Figure 19
Monthly Shipments of Containerized Grain to Asia



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

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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