USDA Agricultural Marketing Service

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Contents

The next release is February 24, 2011

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

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WEEKLY HIGHLIGHTS

Severe Winter Weather and Non-Grain Demand Push Grain Barge Rates Up

For the first half of February, St. Louis to Gulf barge rates were 54 percent higher than the 3-year average. **St Louis rates** for February 15 have reached a winter highpoint at 488 percent of tariff ($19.47 per ton). First half February rates were 79 percent higher than same time last year. Rates for other locations on the river experienced similar increases. Barge rate increases are in part due to freezing temperatures that have limited barge movements and cleaning operations, and increased demand for covered barges from fertilizer shippers moving products up river for spring planting. Also, barge operators indicate an increased demand for covered barges for export coal shipments from the Mississippi River. During the week ending February 12, upbound empty barges (all types) through the locking portion of the river system were 24 percent below the 3-year average, part of a 3-week trend.

STB Moves to Reduce Filing Fees For Shipper Complaints

The Surface Transportation Board (STB) has proposed reducing filing fees for shipper complaints. Currently, shippers are charged as much as $20,600 to file a complaint. The proposed rulemaking would implement a new fee schedule that would charge shippers $350 to file a rate or unreasonable practice complaint. The fee for three-benchmark small rates cases would remain at $150. Comments on the proposal to reduce filing fees are due by April 19. Further information is available at http://www.stb.dot.gov.

USDA Releases Agricultural Projections to 2020; to be Updated for the 2011 Outlook Forum

On February 14, USDA released its long-term projections based on data available as of November 2010. USDA will release updated projections at the 2011 Outlook Forum, to be held in Arlington, VA, on February 24–25. The report will provide the first look at the 2011/12 crop year and will be based on the January acreage report and trend yields. Supply and demand after a year of tight carryover stocks have implications for grain transportation demand in the second half of 2011.

Weekly Grain Export Inspections Down as Shipments to Asia Slowed

For the week ending February 10, **total inspections** of grain (corn, wheat, and soybeans) from all major U.S. export regions reached 2.08 million metric tons (mmt), down 20 percent from the previous week but 6.2 percent above this time last year. Inspections of each of the major grains were down compared to the past week due mainly to a significant drop in shipments to Asia. Although below the previous week, inspections of wheat (.642 mmt) and soybeans (.607 mmt) were up 46 and 17 percent from this time last year. The current four-week running average for total grain inspections, at 2.35 mmt, was 3 percent below the previous four-week average, but 9 percent above the same time last year.

Snapshots by Sector

Rail

U.S. railroads originated 22,106 **carloads of grain** during the week ending February 5, down 11 percent from last week, up 1 percent from last year, and 4 percent higher than the 3-year average.

During the week ending February 10, average February non-shuttle **secondary railcar bids/offers** were $118.50 above tariff, down $15 from last week. Average shuttle rates were $25 below tariff, down $210 from last week.

Barge

During the week ending February 12, **barge grain movements** totaled 479,694 tons, 4 percent higher than the previous week, but 29 percent lower than the same period last year.

During the week ending February 12, 296 grain barges **moved down river**, up 3 percent from last week and 694 grain barges were **unloaded in New Orleans**, up 9 percent from the previous week.

Fuel

During the week ending February 14, U.S. average **diesel fuel prices** increased 2 cents per gallon to $3.53, up 0.6 percent from the previous week and 28 percent higher than the same week last year.

Ocean

During the week ending February 10, 53 **ocean-going grain vessels** were loaded in the Gulf, up 21 percent from last year. Seventy-eight vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up 30 percent from last year.

During the week ending February 11, the cost of shipping grain from the Gulf to Japan averaged $53 per mt, up 8 percent from the previous week. The rate from the Pacific Northwest to Japan was $32 per mt, up 7 percent from the previous week.

Feature Article/Calendar

Wheat Transportation Costs Down; Landed Costs Continued to Increase

The combination of falling ocean and truck rates forced transportation costs down for wheat shipped from the United States to Japan during the fourth quarter 2010. Higher farm values for wheat, however, drove an increase in total landed costs. Wheat transportation costs for the fourth quarter from Kansas and North Dakota to Japan through the Pacific Northwest (PNW) decreased over 3 percent from the previous quarter, to $87.98 and $87.95 per metric ton (mt), respectively. Transportation costs to the PNW were down 7 percent year-to-year (see table). The cost of shipping from both States to Japan through the U.S. Gulf averaged $96.65 and $122.22 per mt, respectively—down 6 percent from the previous quarter for Kansas and 4 percent lower than the previous quarter for North Dakota. Fourth quarter wheat transportation costs represented 27 to 35 percent of the landed costs, down from the previous quarter (see table).

Quarterly rate comparisons for shipping KS & ND wheat to Japan through the PNW

	KS					ND				
Mode	2009 4th qtr	2010 3rd qtr	2010 4th qtr	Year-to-Year change	Quarterly change	2009 4th qtr	2010 3rd qtr	2010 4th qtr	Year-to-Year change	Quarterly change
	- $/metric ton -			%	%				%	%
Truck	11.38	9.74	8.94	-21.44	-8.21	11.38	9.74	8.94	-21.44	-8.21
Rail[1]	44.97	47.65	47.70	6.07	0.10	44.52	47.29	47.67	7.08	0.80
Ocean vessel	38.60	33.77	31.34	-18.81	-7.20	38.60	33.77	31.34	-18.81	-7.20
Transportation Costs	94.95	91.16	87.98	-7.34	-3.49	94.50	90.80	87.95	-6.93	-3.14
Farm Value[2]	162.28	198.91	238.83	47.17	20.07	162.28	189.72	228.06	40.53	20.21
Total Landed Cost	257.23	290.07	326.81	27.05	12.67	256.78	280.52	316.01	23.07	12.65
Transport % of landed cost	36.91	31.43	26.92			36.80	32.37	27.83		

Quarterly rate comparisons for shipping KS & ND wheat to Japan through the Gulf

	KS					ND				
Mode	2009 4th qtr	2010 3rd qtr	2010 4th qtr	Year-to-Year change	Quarterly change	2009 4th qtr	2010 3rd qtr	2010 4th qtr	Year-to-Year change	Quarterly change
	- $/metric ton -			%	%	- $/metric ton -			%	%
Truck	11.38	9.74	8.94	-21.44	-8.21	11.38	9.74	8.94	-21.44	-8.21
Rail[1]	29.14	31.44	31.46	7.96	0.06	53.82	56.65	57.03	5.96	0.67
Ocean vessel	66.95	61.45	56.25	-15.98	-8.46	66.95	61.45	56.25	-15.98	-8.46
Transportation Costs	107.47	102.63	96.65	-10.07	-5.83	132.15	127.84	122.22	-7.51	-4.40
Farm Value[2]	162.28	198.91	238.83	47.17	20.07	177.35	189.72	228.06	28.59	20.21
Total Landed Cost	269.75	301.54	335.48	24.37	11.26	309.50	317.56	350.28	13.18	10.30
Transport % of landed cost	39.84	34.04	28.81			42.70	40.26	34.89		

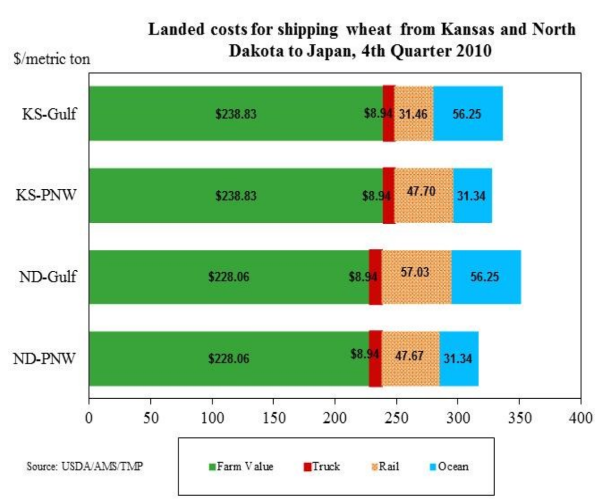
Source: USDA/AMS/TMP

[1] Rail tariff rates include fuel surchrages and revisions for heavy axle railcars and shuttle trains.

[2] Source: USDA/NASS, wheat prices for North Dakota (mainly HRS) and Kansas (mainly HRW)

The total landed cost (farm value plus transportation costs) for shipping wheat to Japan ranged from $316 to $350 per mt, up 13 and 11 percent from the previous quarter when shipping from Kansas, and up 13 and 10 percent from North Dakota. Higher farm values for wheat in each State drove the increase in the total landed costs (see table). North Dakota to Gulf total landed costs continued to outpace other routes. Kansas to the PNW landed costs also continued to surpass North Dakota costs due to higher wheat prices (see figure)

Ocean rates for wheat shipped from the PNW to Japan dropped over 7 percent from the third quarter and were 19 percent lower than the same time last year (see table). Ocean rates for wheat shipped from the Gulf to Japan dropped by about 8.5 percent from the third quarter and 16 percent from last year. Rates from each export region continued to slide due to the seasonal slowdowns in bulk shipping due to worldwide holidays. (*see GTR 1-27-11)*.



Fourth quarter rail rates from Kansas and North Dakota to the PNW increased slightly from the previous quarter. From year-to-year, rail rates from Kansas and North Dakota to the PNW increased 6 and 7 percent, respectively, due in part to higher fuel surcharges (see table). The rates for moving wheat by rail from Kansas and North Dakota to the Gulf during the fourth quarter also increased slightly from quarter to quarter, and increased 8 and 6 percent from the same quarter last year. Although diesel prices continued to increase, the cost of moving wheat from each State by truck to a rail-served grain elevator decreased 8 percent from quarter to quarter and over 21 percent from year to year. It is probable that higher fuel costs were not transferred to shippers during the fourth quarter.

According to the Foreign Agricultural Service, U.S. calendar year wheat exports to Japan totaled 3.17 million metric tons in 2010, up 4 percent from last year, accounting for11 percent of total U.S. wheat exports. For the same period, total U.S. wheat exports reached 27.59 million metric tons, up 26 percent from the past year due to increased demand. For the 2010/11 marketing year, which ends May 31, year-to-date export shipments of all major wheat classes are up, with the exception of soft red winter wheat, which are down 24 percent from the previous year (*See GTR, Table 12*). *Johnny.Hill@ams.usda.gov*

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
02/16/11	237	183	324	237	227
02/09/11	236	135	299	219	206

[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

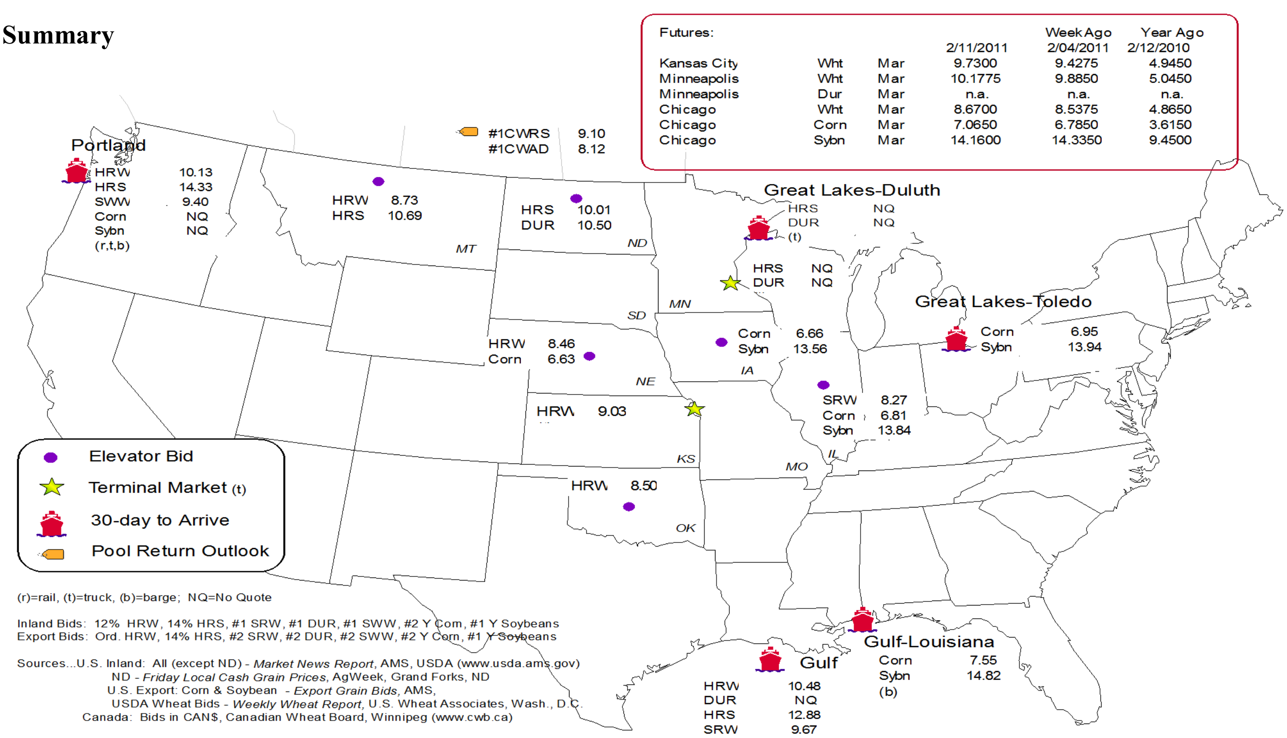
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	2/11/2011	2/4/2011
Corn	IL--Gulf	-0.74	-0.71
Corn	NE--Gulf	-0.92	-0.90
Soybean	IA--Gulf	-1.26	-1.27
HRW	KS--Gulf	-1.45	-1.48
HRS	ND--Portland	-4.32	-4.06

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
2/09/2011[p]	728	1,986	1,023	3,628	795	8,160
2/02/2011[r]	940	2,303	755	4,575	608	9,181
2011 YTD	6,224	12,609	3,755	23,654	4,804	51,046
2010YTD	3,426	9,727	4,115	19,264	7,277	43,809
2011 YTD as % of 2010 YTD	182	130	91	123	66	117
Last 4 weeks as % of 2010[2]	161	121	103	120	70	115
Last 4 weeks as % of 4-year avg.[2]	83	127	106	98	92	102
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.

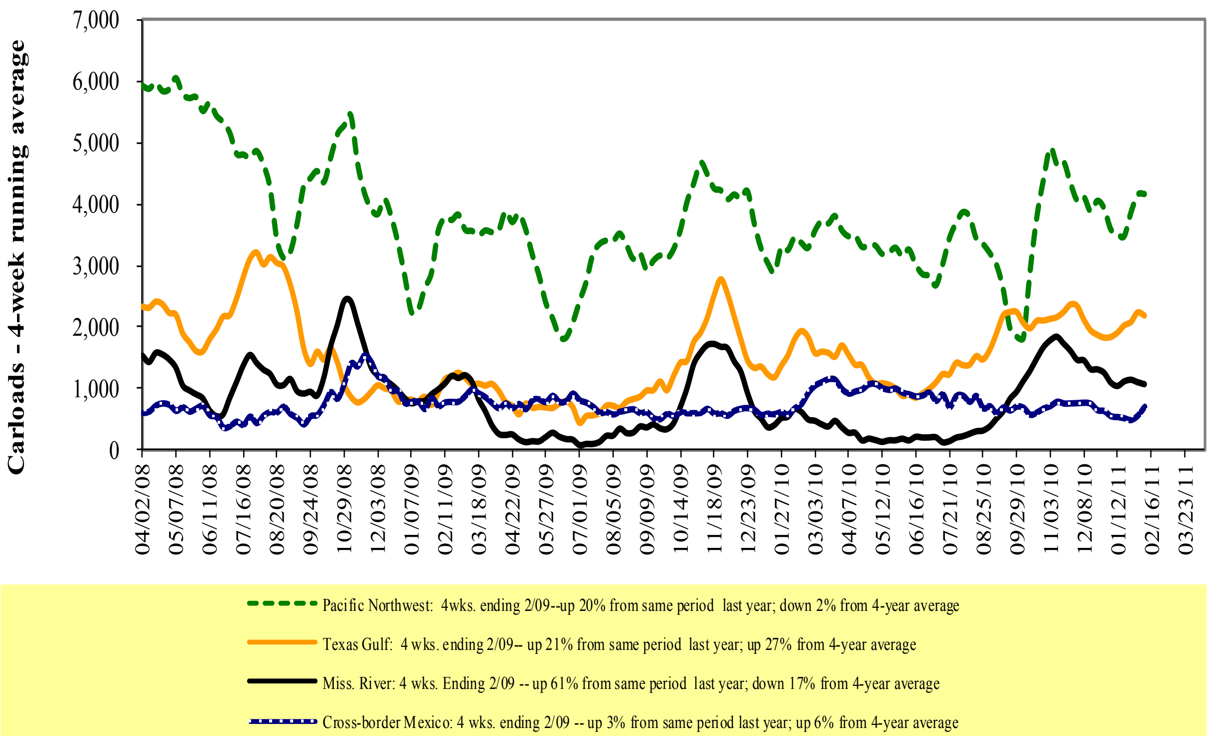
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

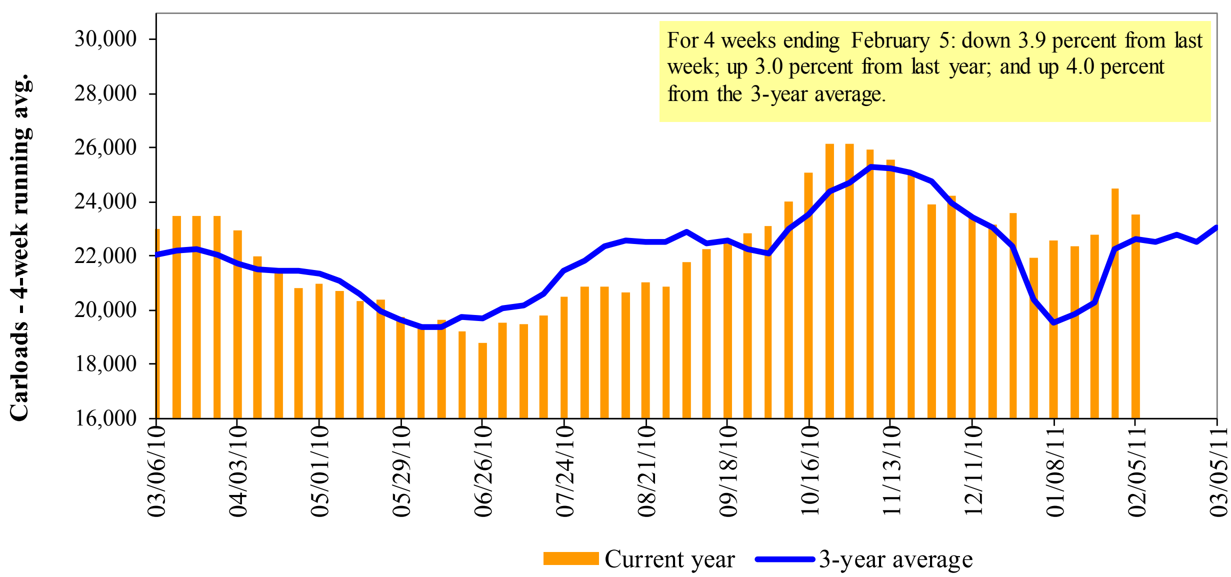
	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
02/05/11	1,458	2,890	11,781	474	5,503	22,106	3,161	4,447
This week last year	2,201	3,004	9,880	861	6,027	21,973	4,587	4,638
2011 YTD	11,283	15,172	59,432	3,122	31,063	120,072	18,386	22,736
2010 YTD	12,196	14,767	52,617	3,878	27,380	110,838	21,021	25,977
2011 YTD as % of 2010 YTD	93	103	113	81	113	108	87	88
Last 4 weeks as % of 2010[1]	89	98	109	74	104	103	86	85
Last 4 weeks as % of 3-yr avg.	79	100	111	81	104	103	83	86
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							
2/10/2011	Feb-11	Feb-10	Mar-11	Mar-10	Apr-11	Apr-10	May-11	May-10
BNSF[3]								
COT grain units	no offer	no offer	no offer	15	4	no bids	4	no bids
COT grain single-car[5]	no offer	no offer	no offer	0 . . 101	7 . . 15	no bids	0 . . 5	4 . . 15
UP[4]								
GCAS/Region 1	no offer	no offer	no bids	1	no bids	no bids	n/a	n/a
GCAS/Region 2	no offer	no offer	no bids	1	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.

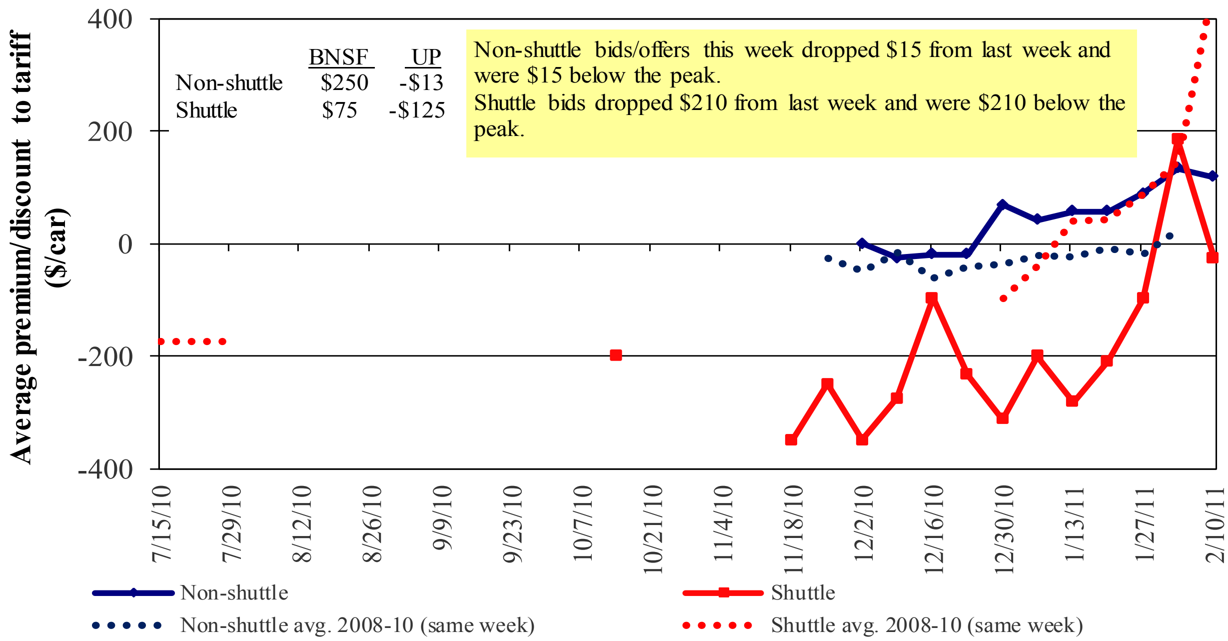
[5]Range is shown because average is not available. Not available = n/a.

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

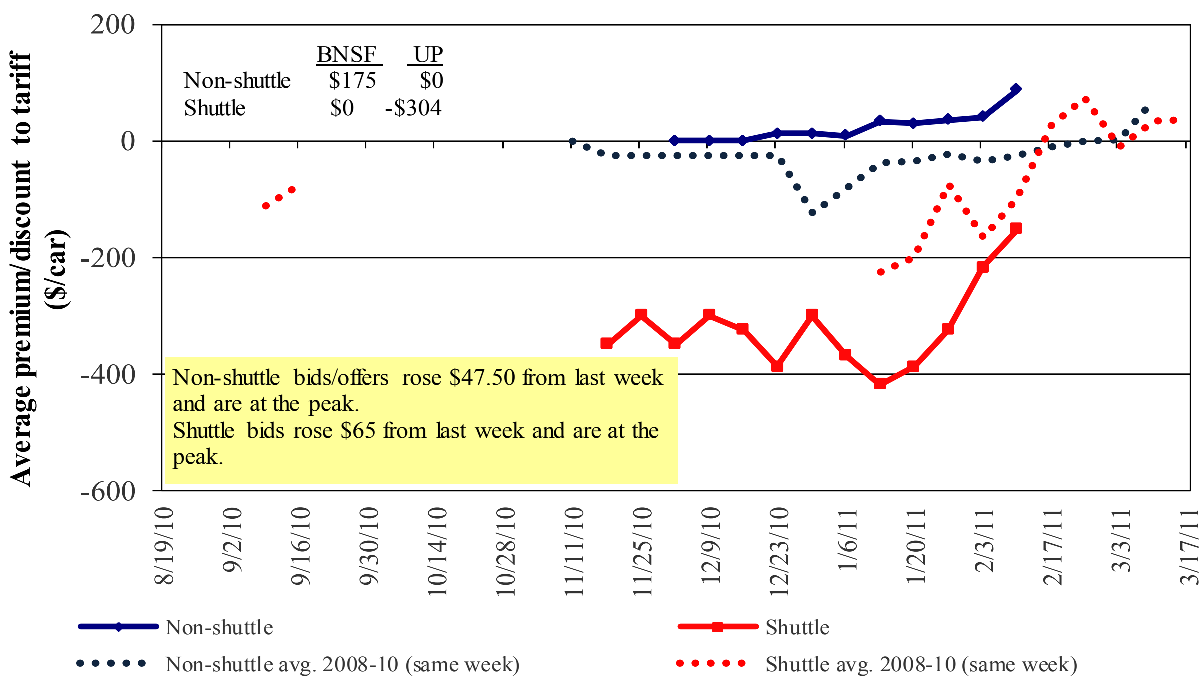


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

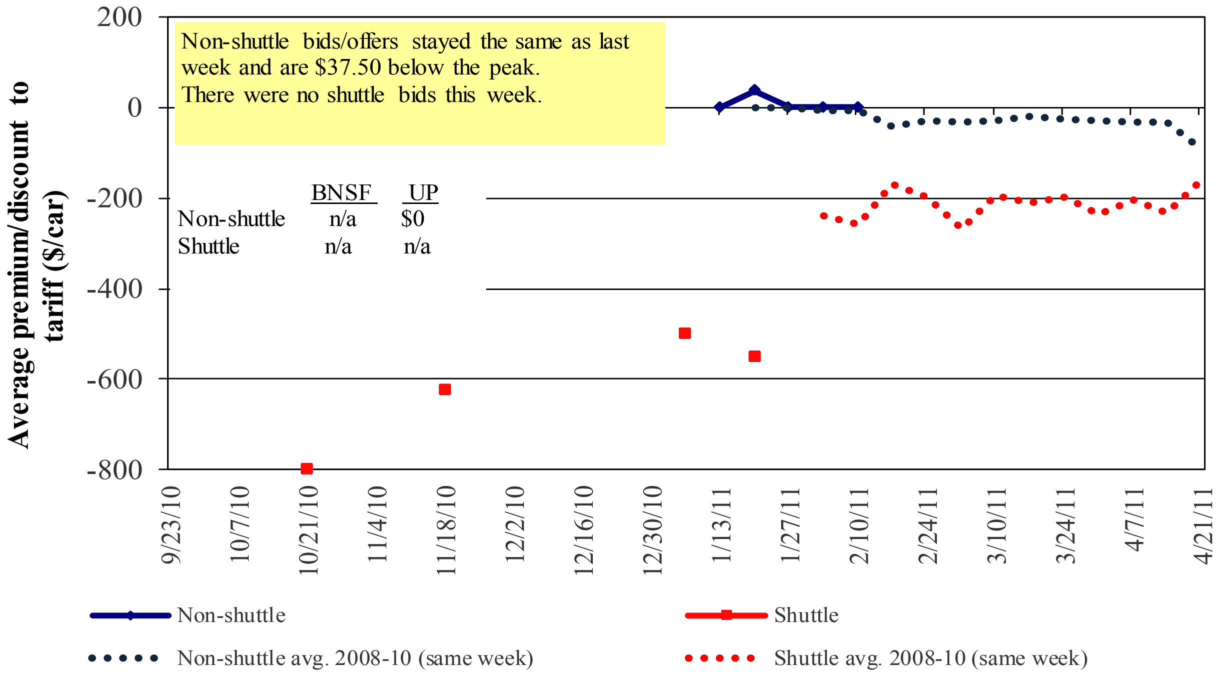


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

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					
2/10/2011	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11
Non-shuttle						
BNSF-GF	250	175	n/a	n/a	n/a	n/a
Change from last week	37	95	n/a	n/a	n/a	n/a
Change from same week 2010	168	146	n/a	n/a	n/a	n/a
UP-Pool	(13)	-	-	(13)	n/a	n/a
Change from last week	(67)	-	-	(13)	n/a	n/a
Change from same week 2010	n/a	(25)	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	75	-	n/a	n/a	n/a	n/a
Change from last week	(358)	71	n/a	n/a	n/a	n/a
Change from same week 2010	(475)	(250)	n/a	n/a	n/a	n/a
UP-Pool	(125)	(304)	n/a	n/a	n/a	n/a
Change from last week	(62)	59	n/a	n/a	n/a	n/a
Change from same week 2010	(375)	(404)	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: 2/7/2011	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	$2,883	$116	$29.79	$0.81
	Grand Forks, ND	Duluth-Superior, MN	$2,727	$149	$28.56	$0.78
	Wichita, KS	Los Angeles, CA	$5,232	$765	$59.55	$1.62
	Wichita, KS	New Orleans, LA	$3,384	$205	$35.64	$0.97
	Sioux Falls, SD	Galveston-Houston, TX	$5,167	$628	$57.55	$1.57
	Northwest KS	Galveston-Houston, TX	$3,651	$224	$38.48	$1.05
	Amarillo, TX	Los Angeles, CA	$3,850	$312	$41.33	$1.12
Corn	Champaign-Urbana, IL	New Orleans, LA	$2,812	$231	$30.22	$0.82
	Toledo, OH	Raleigh, NC	$3,760	$277	$40.09	$1.09
	Des Moines, IA	Davenport, IA	$1,843	$49	$18.79	$0.51
	Indianapolis, IN	Atlanta, GA	$3,196	$208	$33.80	$0.92
	Indianapolis, IN	Knoxville, TN	$2,760	$133	$28.73	$0.78
	Des Moines, IA	Little Rock, AR	$2,938	$144	$30.61	$0.83
	Des Moines, IA	Los Angeles, CA	$4,372	$419	$47.58	$1.29
Soybeans	Minneapolis, MN	New Orleans, LA	$3,391	$238	$36.04	$0.98
	Toledo, OH	Huntsville, AL	$2,921	$197	$30.96	$0.84
	Indianapolis, IN	Raleigh, NC	$3,830	$279	$40.80	$1.11
	Indianapolis, IN	Huntsville, AL	$2,613	$133	$27.27	$0.74
	Champaign-Urbana, IL	New Orleans, LA	$3,156	$231	$33.64	$0.92
Shuttle Train						
Wheat	Great Falls, MT	Portland, OR	$2,966	$440	$33.82	$0.92
	Wichita, KS	Galveston-Houston, TX	$2,987	$343	$33.06	$0.90
	Chicago, IL	Albany, NY	$3,497	$260	$37.31	$1.02
	Grand Forks, ND	Portland, OR	$4,229	$760	$49.54	$1.35
	Grand Forks, ND	Galveston-Houston, TX	$5,144	$792	$58.94	$1.60
	Northwest KS	Portland, OR	$4,619	$368	$49.52	$1.35
Corn	Minneapolis, MN	Portland, OR	$4,120	$926	$50.10	$1.36
	Sioux Falls, SD	Tacoma, WA	$4,120	$848	$49.33	$1.34
	Champaign-Urbana, IL	New Orleans, LA	$2,677	$231	$28.88	$0.79
	Lincoln, NE	Galveston-Houston, TX	$2,880	$494	$33.51	$0.91
	Des Moines, IA	Amarillo, TX	$3,330	$181	$34.87	$0.95
	Minneapolis, MN	Tacoma, WA	$4,120	$918	$50.03	$1.36
	Council Bluffs, IA	Stockton, CA	$3,480	$950	$43.99	$1.20
Soybeans	Sioux Falls, SD	Tacoma, WA	$4,320	$848	$51.32	$1.40
	Minneapolis, MN	Portland, OR	$4,270	$926	$51.59	$1.40
	Fargo, ND	Tacoma, WA	$4,270	$754	$49.89	$1.36
	Council Bluffs, IA	New Orleans, LA	$3,510	$267	$37.51	$1.02
	Toledo, OH	Huntsville, AL	$2,536	$197	$27.14	$0.74
	Grand Island, NE	Portland, OR	$4,520	$377	$48.62	$1.32

[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

Effective date: 2/7/2011							
				Fuel	Tariff plus surcharge per:		Percent
	Origin		Tariff	surcharge			change
Commodity	**state**	**Destination region**	**rate/car[1]**	**per car[2]**	**metric ton[3]**	**bushel[3]**	**Y/Y[4]**
Wheat	MT	Chihuahua, CI	$6,854	$804	$78.25	$2.13	10
	OK	Cuautitlan, EM	$6,191	$646	$69.86	$1.90	10
	KS	Guadalajara, JA	$6,825	$914	$79.08	$2.15	11
	TX	Salinas Victoria, NL	$3,470	$221	$37.71	$1.03	12
Corn	IA	Guadalajara, JA	$7,056	$934	$81.64	$2.07	8
	SD	Penjamo, GJ	$6,619	$1,052	$78.38	$1.99	5
	NE	Queretaro, QA	$6,240	$666	$70.56	$1.79	5
	SD	Salinas Victoria, NL	$4,785	$800	$57.06	$1.45	8
	MO	Tlalnepantla, EM	$5,428	$648	$62.09	$1.58	6
	SD	Torreon, CU	$5,681	$881	$67.05	$1.70	9
Soybeans	MO	Bojay (Tula), HG	$6,208	$800	$71.61	$1.95	6
	NE	Guadalajara, JA	$7,020	$910	$81.02	$2.20	11
	IA	El Castillo, JA[5]	$7,060	$1,046	$82.82	$2.25	9
	KS	Torreon, CU	$5,675	$595	$64.07	$1.74	11
Sorghum	OK	Cuautitlan, EM	$4,729	$799	$56.48	$1.43	11
	TX	Guadalajara, JA	$5,781	$685	$66.06	$1.68	7
	NE	Penjamo, GJ	$6,407	$825	$73.89	$1.88	3
	KS	Queretaro, QA	$5,641	$500	$62.74	$1.59	7
	NE	Salinas Victoria, NL	$4,500	$512	$51.20	$1.30	8
	NE	Torreon, CU	$5,546	$653	$63.34	$1.61	8

[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

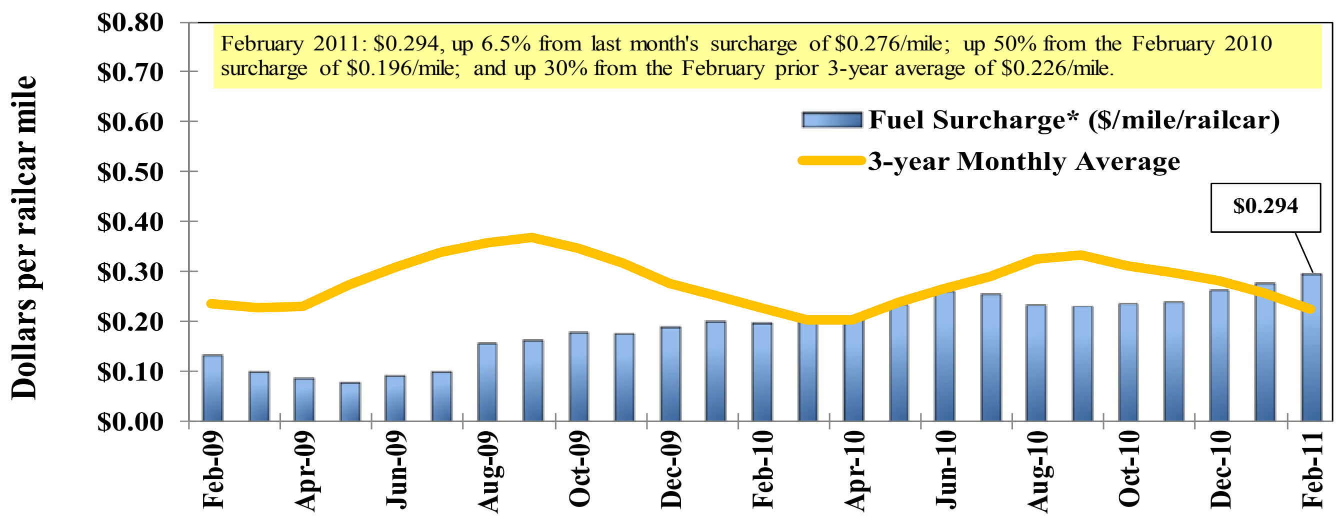
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[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.

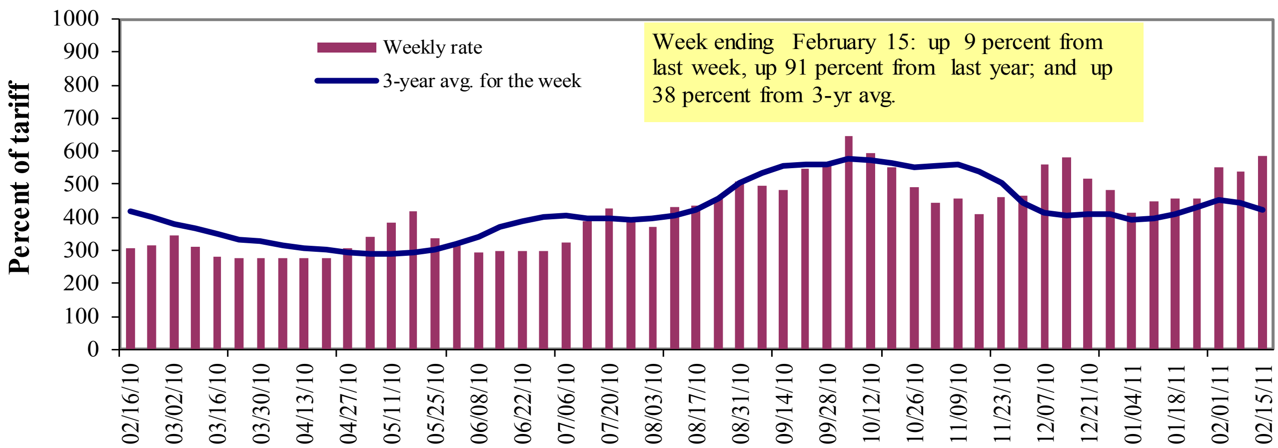
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	2/15/2011	-	-	584	488	500	500	438
	2/8/2011	-	-	538	429	435	435	391
$/ton	2/15/2011	-	-	27.10	19.47	23.45	20.20	13.75
	2/8/2011	-	-	24.96	17.12	20.40	17.57	12.28
Current week % change from the same week:								
	Last year	-		91	127	87	87	121
	3-year avg. [2]	-	-	38	52	52	51	56
Rate[1]	March	-	445	468	380	429	426	343
	May	453	421	403	331	399	399	299

[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

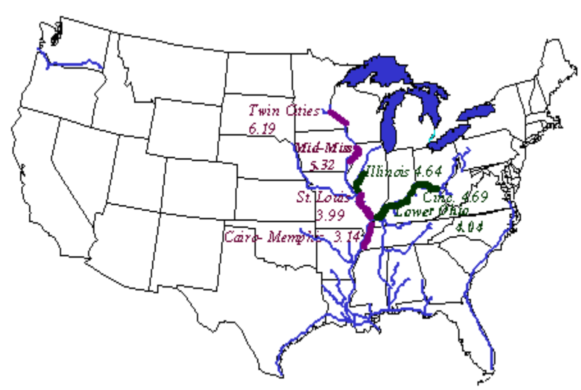
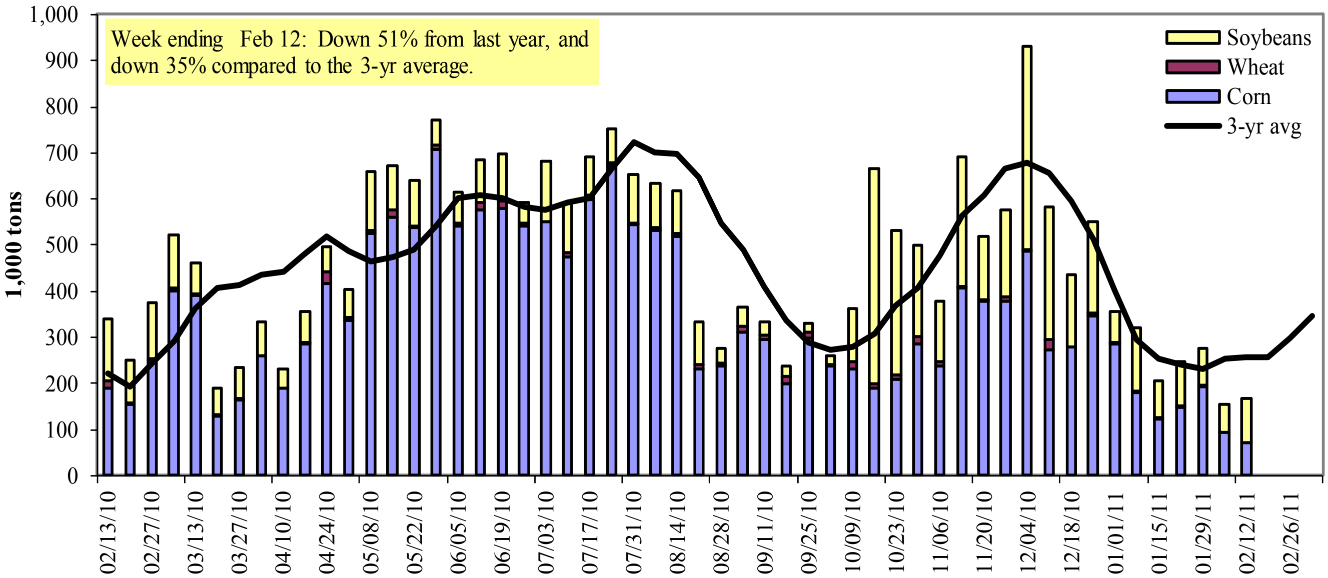


Figure 10

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 2/12/2011	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)	72	0	66	0	138
Granite City, IL (L27)	72	0	94	0	166
Illinois River (L8)	97	0	65	0	162
Ohio River (L52)	161	10	108	0	279
Arkansas River (L1)	0	6	28	2	35
Weekly total - 2011	233	16	229	2	480
Weekly total - 2010	364	23	283	7	676
2011 YTD[1]	1,684	108	1,393	23	3,208
2010 YTD	1,618	159	1,576	64	3,416
2011 as % of 2010 YTD	104	68	88	36	94
Last 4 weeks as % of 2010[2]	87	64	74	31	79
Total 2010	22,768	1,220	10,373	481	34,841

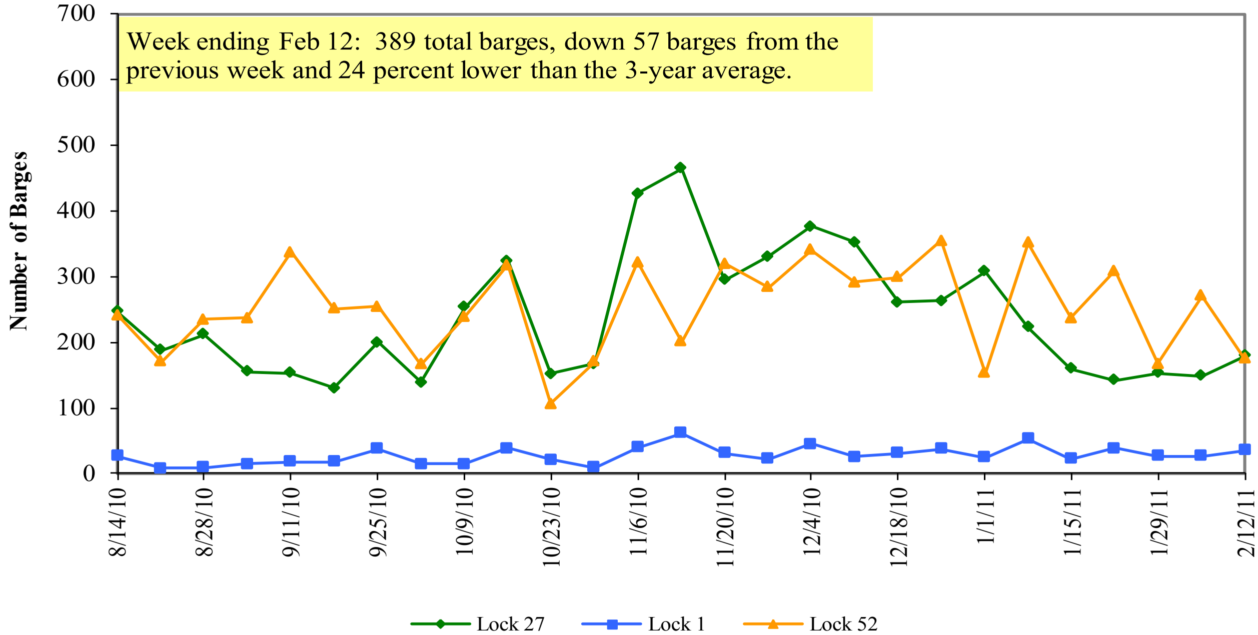
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

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

Note: Total may not add exactly, due to rounding

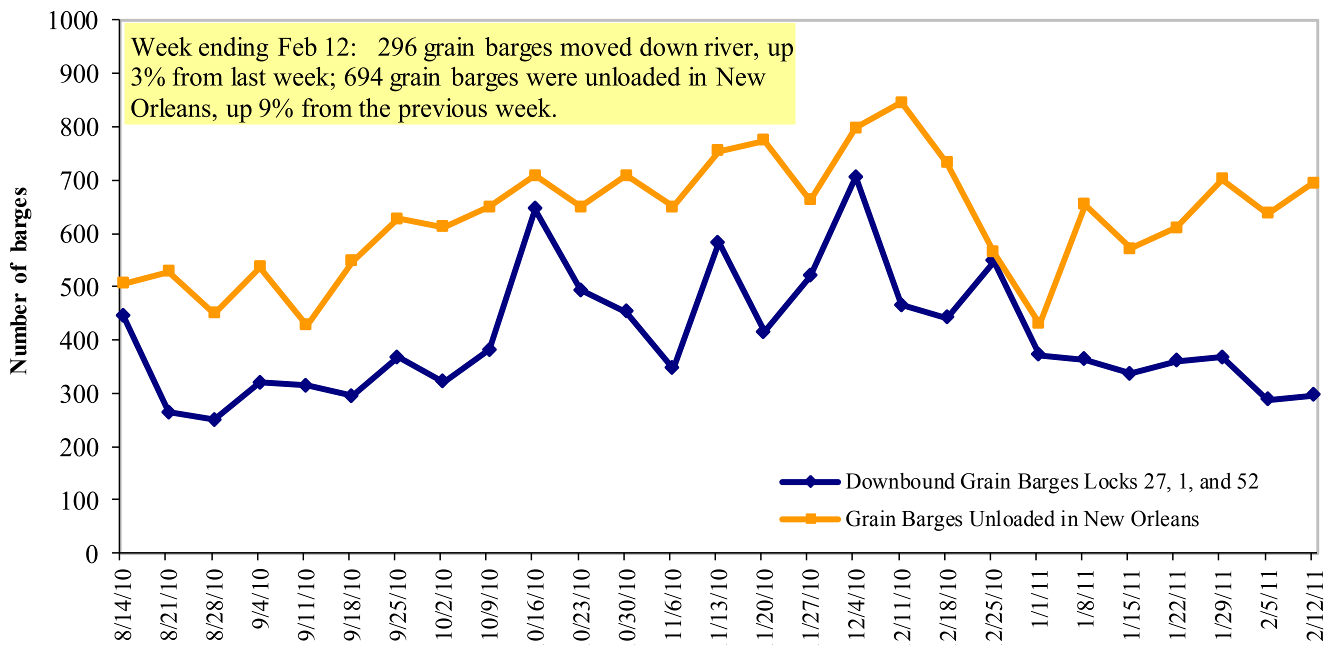
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

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 2/14/2011 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.587	0.022	0.778
	New England	3.749	0.032	0.758
	Central Atlantic	3.700	0.018	0.795
	Lower Atlantic	3.524	0.023	0.773
II	Midwest[2]	3.479	0.004	0.774
III	Gulf Coast[3]	3.489	0.034	0.771
IV	Rocky Mountain	3.511	0.052	0.734
V	West Coast	3.671	0.041	0.825
	California	3.747	0.040	0.845
Total	U.S.	3.534	0.021	0.778

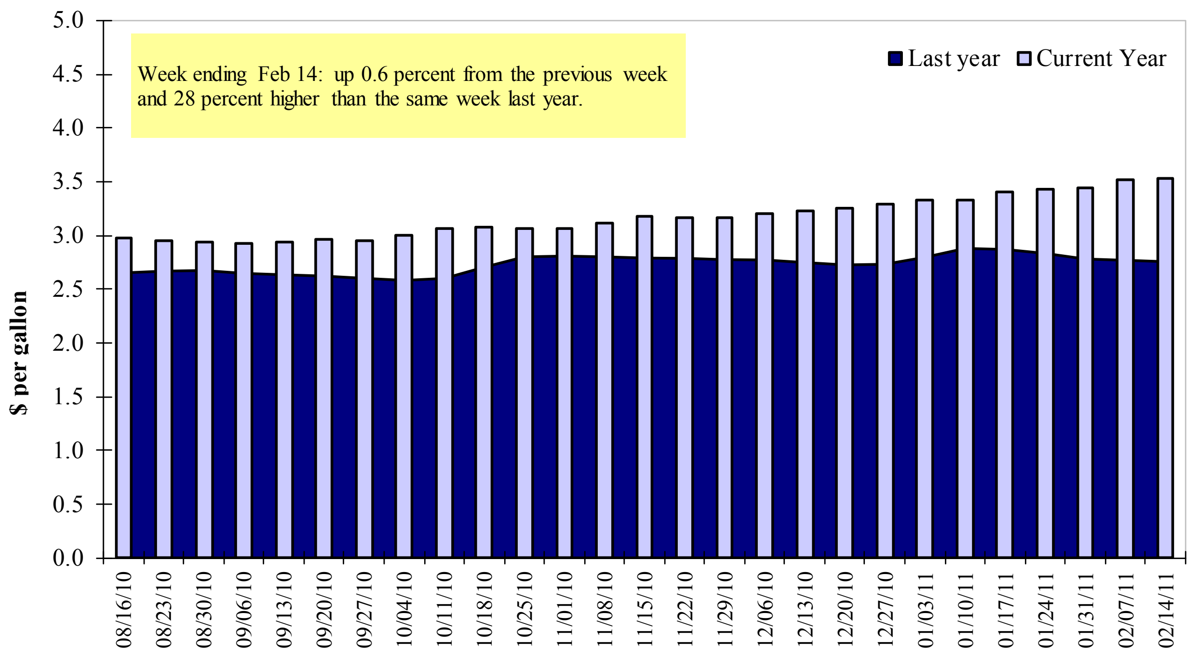
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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)

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
2/3/2011	3,620	789	2,545	1,300	97	8,352	12,443	11,265	32,060
This week year ago	1,653	506	1,061	952	210	4,382	11,914	8,531	24,827
Cumulative exports-marketing year[2]									
2010/11 YTD	9,813	1,544	5,472	3,129	735	20,693	17,914	27,123	65,730
2009/10 YTD	5,385	2,040	3,366	2,801	713	14,305	17,946	26,671	58,922
YTD 2010/11 as % of 2009/10	182	76	163	112	103	145	100	102	112
Last 4 wks as % of same period 2009/10	232	159	248	138	52	198	101	145	133
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 02/03/11	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	8,817	7,652	15	14,343
Mexico	4,301	5,925	(27)	7,999
Korea	3,615	4,050	(11)	7,562
Taiwan	1,610	1,878	(14)	2,949
Egypt	2,075	1,122	85	2,935
Top 5 importers	**20,417**	**20,627**	**(1)**	**35,788**
Total US corn export sales	**30,357**	**29,860**	**2**	**50,460**
% of Projected	61%	59%		
Change from Last Week	1,107	743		
Top 5 importers' share of U.S. corn export sales	67%	69%		
USDA forecast, February 2011	**49,530**	**50,460**	**(2)**	
Corn Use for Ethanol USDA forecast, Ethanol February 2011	**125,730**	**116,027**	**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.

[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 02/03/11	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 -
China	23,821	21,662	10	22,454
Mexico	2,116	1,893	12	3,276
Japan	1,607	1,632	(2)	2,347
EU-25	2,086	2,189	(5)	2,647
Taiwan	1,167	1,206	(3)	1,556
Top 5 importers	**30,797**	**28,583**	**8**	**32,280**
Total US soybean export sales	**38,388**	**35,201**	**9**	**40,850**
% of Projected	89%	86%		
Change from last week	21	255		
Top 5 importers' share of U.S. soybean export sales	80%	81%		
USDA forecast, February 2011	**43,270**	**40,850**	**6**	
Soybean Use for Biodiesel USDA forecast, February 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.

Table 15

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

Week Ending 02/03/2011	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	2,666	2,632	1.3	3,233
Japan	2,987	2,493	20	3,148
Mexico	2,524	1,721	47	1,975
Philippines	1,769	1,502	18	1,518
Korea, South	1,374	1,010	36	1,111
Taiwan	778	667	17	844
Venezuela	594	507	17	658
Colombia	631	515	23	575
Peru	822	411	100	567
Egypt	2,916	456	540	529
Top 10 importers	**17,061**	**11,913**	**43**	**14,156**
Total US wheat export sales	**29,044**	**18,687**	**55**	**23,980**
% of Projected	82%	78%		
Change from last week	391	548		
Top 10 importers' share of U.S. wheat export sales	59%	64%		
USDA forecast, February 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 02/10/11	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	175	316	55	1,490	1,237	120	108	106	11,062
Corn	51	159	32	753	915	82	76	76	9,950
Soybeans	128	311	41	1,213	1,653	73	77	87	10,191
Total	**353**	**786**	**45**	**3,456**	**3,805**	**91**	**87**	**91**	**31,203**
Mississippi Gulf									
Wheat	109	94	116	588	437	134	136	140	4,199
Corn	518	474	109	2,442	2,685	91	110	83	29,794
Soybeans	690	790	87	4,271	4,309	99	106	109	22,519
Total	**1,317**	**1,358**	**97**	**7,301**	**7,432**	**98**	**110**	**99**	**56,512**
Texas Gulf									
Wheat	354	328	108	1,600	735	218	209	210	9,339
Corn	33	30	108	135	219	62	57	50	1,859
Soybeans	0	27	0	445	529	84	73	117	1,916
Total	**387**	**386**	**100**	**2,180**	**1,482**	**147**	**139**	**156**	**13,115**
Great Lakes									
Wheat	2	2	92	4	2	181	n/a	280	1,897
Corn	0	0	n/a	0	0	n/a	n/a	n/a	119
Soybeans	0	0	n/a	0	0	n/a	n/a	0	655
Total	**2**	**2**	92	**4**	**2**	**181**	**n/a**	**200**	**2,672**
Atlantic									
Wheat	3	58	4	206	48	432	579	838	343
Corn	6	0	n/a	37	44	85	59	29	469
Soybeans	15	12	126	187	319	59	50	68	1,417
Total	**23**	**70**	**33**	**430**	**410**	**105**	**95**	**109**	**2,229**
U.S. total from ports[2]									
Wheat	642	799	80	3,888	2,459	158	149	150	26,839
Corn	607	663	92	3,366	3,863	87	98	78	42,192
Soybeans	832	1,140	73	6,116	6,810	90	93	102	36,699
Total	**2,082**	**2,602**	**80**	**13,371**	**13,131**	**102**	**106**	**103**	**105,730**

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

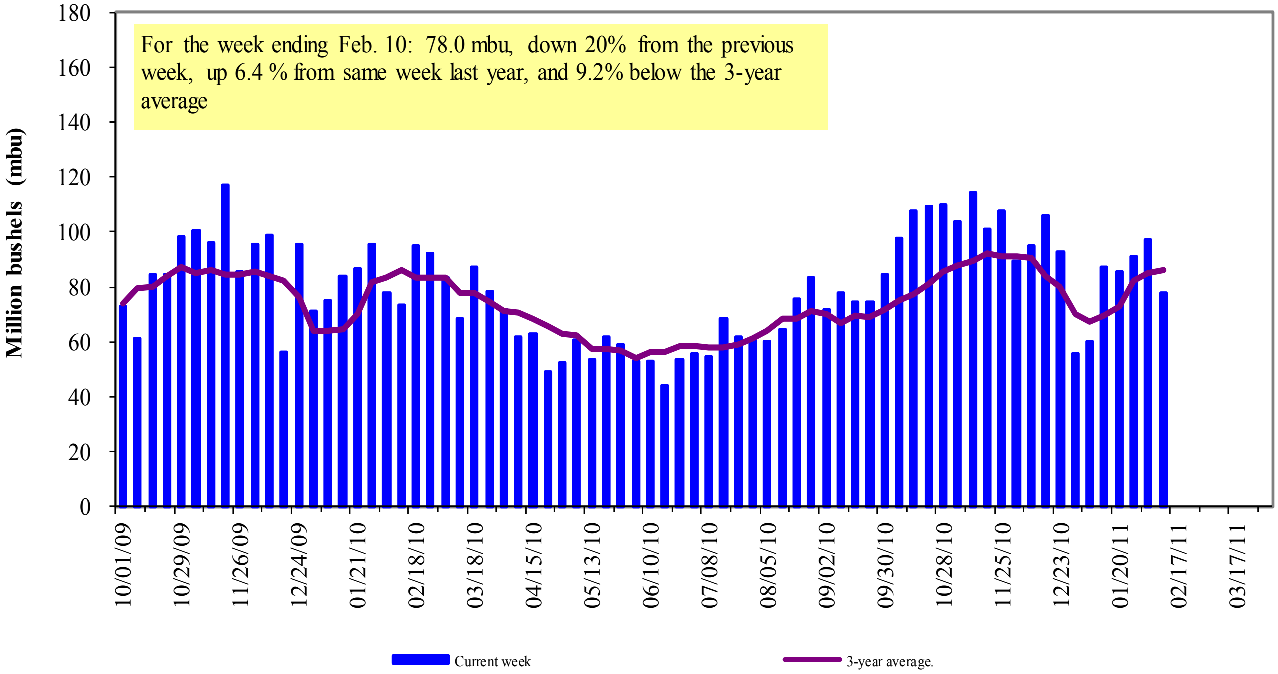
[2] Total includes only port regions shown above

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)

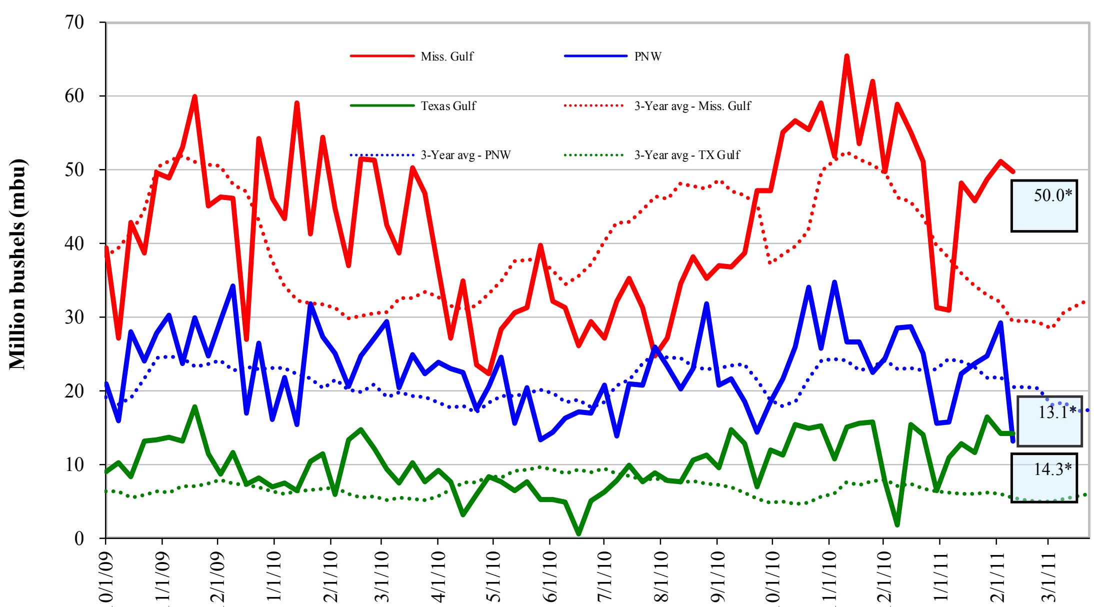


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

Feb. 10 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 3	unchanged	down 2	down 55
Last year (same week)	up 34	up 7	up 27	down 36
3-yr avg. (4-wk mov. avg.)	unchanged	up 55	up 9	down 41

Ocean Transportation

Table 17

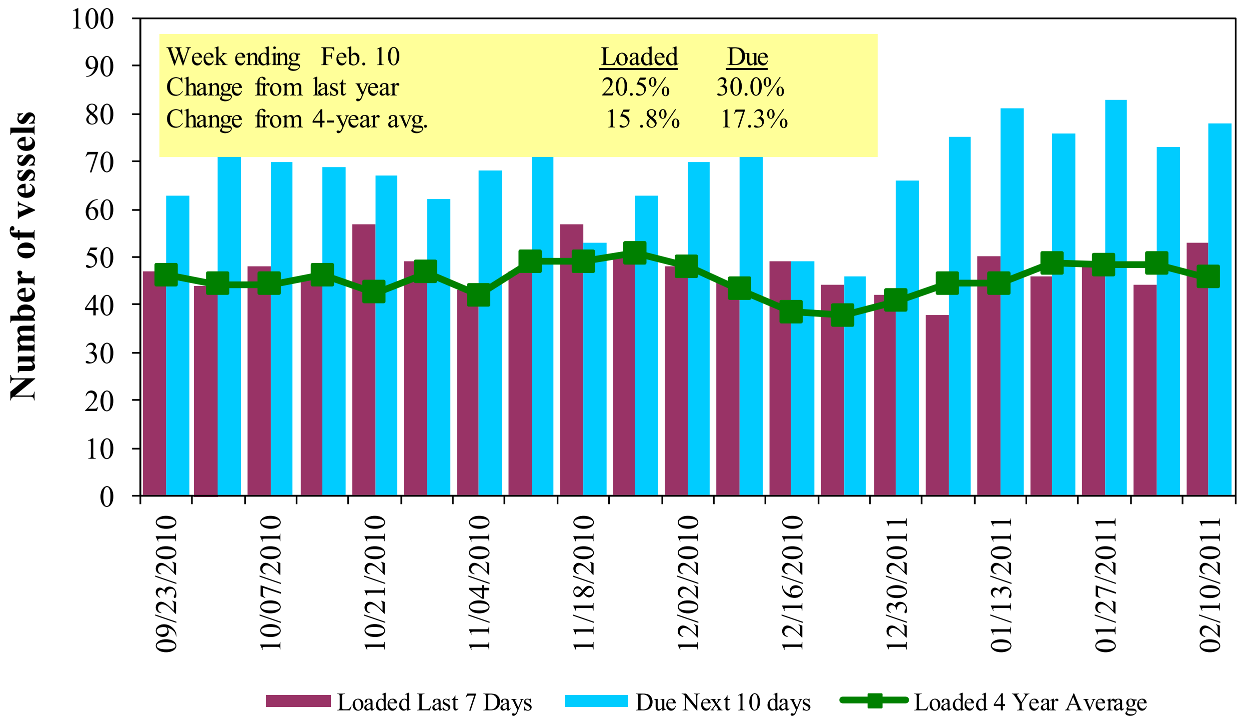
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
2/10/2011	59	53	78	19	13
2/3/2011	58	44	73	18	15
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

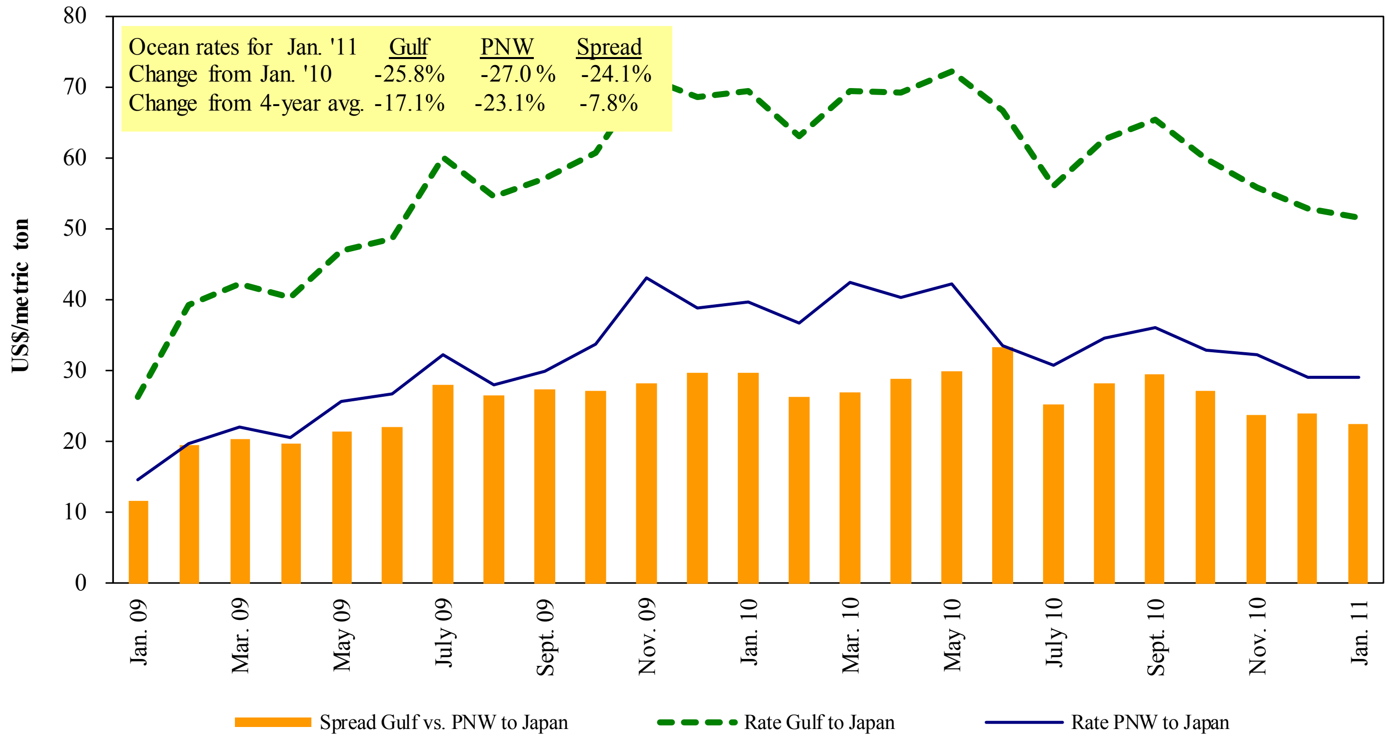


Source:Transportation & Marketing Programs/AMS/USDA

[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 2/12/2011

Export region	Import region	Grain 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	Nicaragua	Corn/Soybean meal	Feb 7/17	24,000	56.42
U.S. Gulf	El Salvador[1]	Wheat	Feb 14/24	30,000	64.00
U.S. Gulf	Turkey	Heavy Grain	Jan 25/30	2,500	46.00
PNW	Pakistan	Heavy Grain	Jan 15/25	42,000	46.00
PNW	Rotterdam	Heavy Grain	Feb 15/25	55,000	26.00
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
Romania	Egypt Med	Wheat	Nov 1/10	25,000	17.25
Uruguay	Algeria	Wheat	Feb 5/10	25,000	46.00

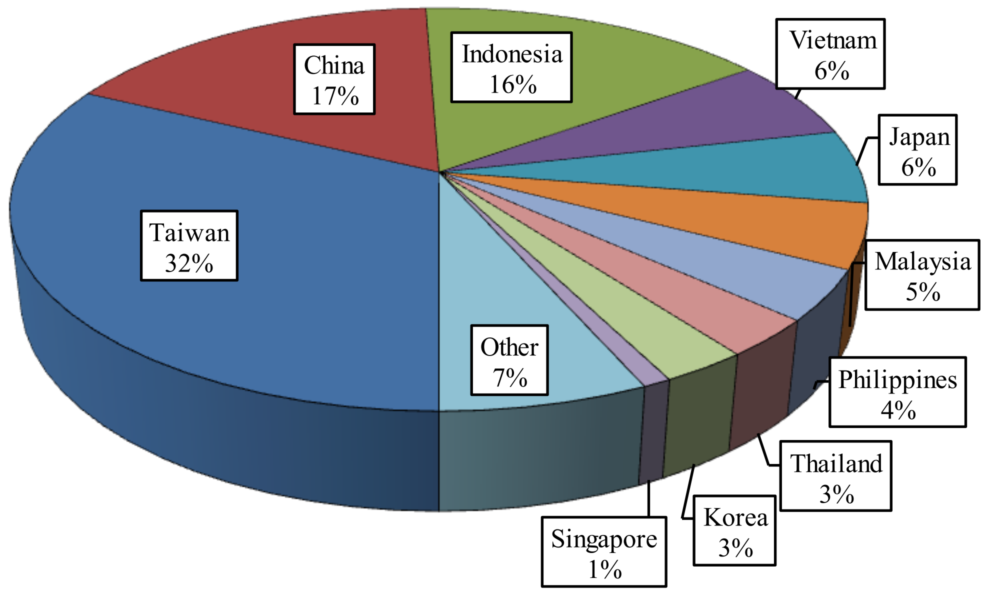
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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, November 2010

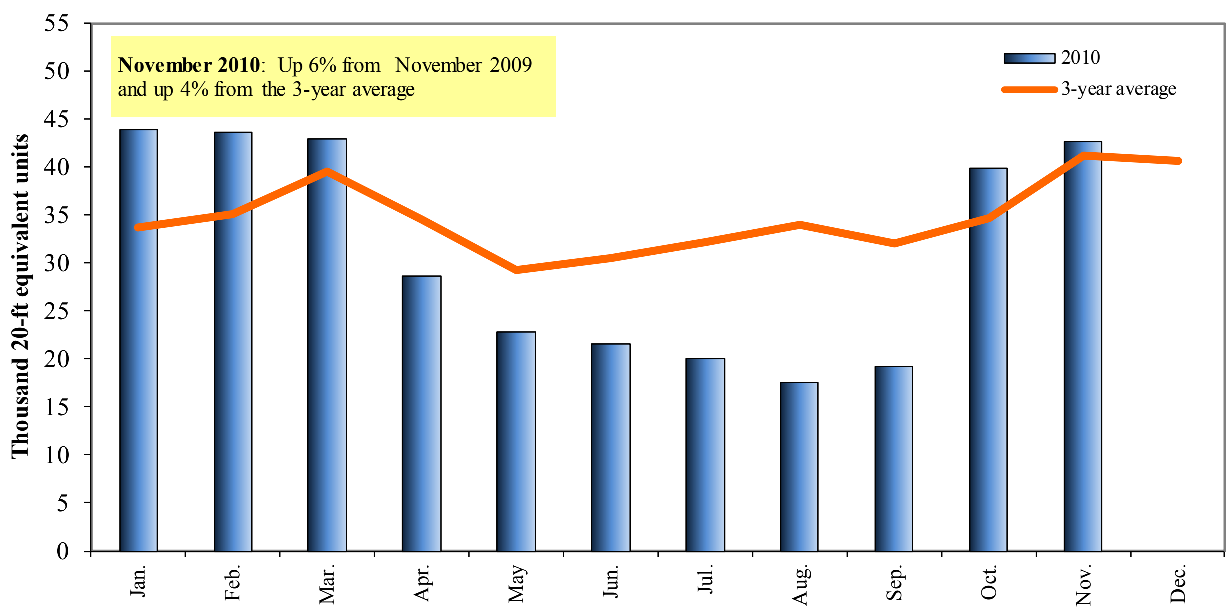


Source: Port Import Export Reporting Service (PIERS)

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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