



Grain Transportation Report

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

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Feb. 27, 2014

WEEKLY HIGHLIGHTS

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New Release: Railroad Concentration, Market Shares, and Rates

A new AMS report analyzes the changes in railroad market concentration, market shares, and rail rates for grain and oilseeds that have occurred since the Passage of the Staggers Act in 1980. Following the passage of the Staggers Act, the market share of Class I railroads has increased as a result of mergers, reducing the number of Class I railroads from 33 to 7. As a result, rail competition has been reduced, market power has increased, and rail costs have fallen by over half in real terms. Until 2004, most of these cost savings were passed along to shippers as lower rates. However, since 2004, average rail rates per ton-mile for all commodities have climbed 36 percent, while rail costs have only increased 29 percent. More details are available in the [full report](#).

River Levels Increase with Rain and Recent Ice Thaws

Rain, along with warmer temperatures, has melted ice and caused an increase in river levels. On February 14, the St. Louis, MO, Mississippi River gage was -2.8 feet. By February 24, the gage had risen to 14.9 feet. During the week beginning February 16, St. Louis daytime temperatures peaked at 73 degrees, causing considerable runoff of melted snow and a reduction in ice on the Illinois and Mississippi Rivers. However, sub-freezing temperatures have returned to the area and ice formations are likely to continue to slow barge operations on the Illinois River and parts of the Mississippi River in the St. Louis area. Rock removal operation in the Thebes, IL, area has been suspended; river levels are above 10 feet at Cape Girardeau, MO, the gage threshold that stops work at the site. As of February 26, the Cape Girardeau gage is 23 feet.

Tentative Deal Reached on Panama Canal Cost Overruns Dispute

On February 20, Panama Canal Authority (ACP) and a Spanish-led building consortium reached a preliminary agreement for work to resume on the expansion project for the new set of locks after a 2-week stoppage. Negotiations broke down between the two parties on February 5. The project was originally estimated to cost \$5.25 billion but may increase close to \$7 billion due to cost overrun. ACP argues that the consortium should pay for the cost since the overruns are caused by events that are typical or "normal" for this kind of construction project. The parties agreed to continue negotiations to find amicable agreement in ensuring the successful completion of the project. The expansion project is scheduled for completion in 2015. The consortium consists of Sacyr Vallehermoso (Spain), Impregilo, S.p.A. (Italy), Jan de Nul Group (Belgium) and Constructora Urbana, S.A. (CUSA) (Panama).

Grain Inspections Down, but Remain Above Average

For the week ending February 20, total inspections of grain (corn, wheat, and soybeans) for export from all major port regions reached 2.5 million metric tons (mmt), down 5 percent from the previous week but up 56 percent from last year and 11 percent above the 3-year average. Despite the drop in week-to-week inspections of grain, inspections during the last 4 weeks were 52 percent above the same week last year. Total wheat inspections (.441 mmt) jumped 36 percent from the previous week as shipments to Asia and Nigeria rebounded. Corn (.777 mmt) and soybean (1.327 mmt) inspections were down 6 and 14 percent from the past week. Wheat outstanding export sales (unshipped) remained higher but corn and soybean sales were lower.

Snapshots by Sector

Rail

U.S. railroads originated 19,137 **carloads of grain** during the week ending February 15, up 5 percent from last week and 3 percent from last year, but down 7 percent from the 3-year average.

During the week ending February 20, average March shuttle **secondary railcar bids/offers per car** were \$1,712 above tariff, up \$612.50 from last week and \$1,777 higher than last year. There were no non-shuttle bids/offers.

Barge

During the week ending February 22, **barge grain movements** totaled 468,072 tons—17.6 percent lower than the previous week but 11 percent higher than the same period last year.

During the week ending February 22, 282 grain barges **moved down river**, down 17.5 percent from last week; 819 grain barges were **unloaded in New Orleans**, up 10.8 percent from the previous week.

Ocean

During the week ending February 20, 45 **ocean-going grain vessels** were loaded in the Gulf, 32 percent more than the same period last year. Seventy-seven vessels are expected to be loaded within the next 10 days, 31 percent more than the same period last year.

During the week ending February 21, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$53 per mt, up 2 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$28 per mt, up 4 percent from the previous week.

Fuel

During the week ending February 25, U.S. average **diesel fuel prices** increased 3 cents from the previous week to \$4.02 per gallon, but was still down 14 cents from the same week last year.

Feature Article/Calendar

Grains and Oilseed Outlook for 2014: Implications on Transportation Demand

At the USDA's Agricultural Outlook Forum on February 20 and 21, an early projection for the 2014/15 crop year¹ was presented by Joe Glauber, USDA's Chief Economist. These projections, based on normal weather conditions, indicate the expectation for larger crops and reduced prices for corn, wheat, and soybeans. Depending upon the crop, this could indicate different types of marketing opportunities may become available for producers and thereby affect transportation demand. For example, lower grain prices are expected to boost exports sales, increasing transportation demand via this marketing option. Domestic usage of corn is projected to be strong, which would more than likely offset a slight reduction in projected exports. On the other hand, domestic use and exports of soybeans are expected to increase, signaling an increase in both domestic and export demand for transportation services.

Corn used for ethanol production is expected to remain at 5 billion bushels per year. While the Energy Information Administration forecasts a reduction in domestic gasoline consumption in 2015, USDA expects ethanol exports to increase, which should result in more stable ethanol production because of the offsetting effects. All other things equal, this would indicate there should not be a significant impact in transportation demand for corn used for ethanol production.

Corn exports are projected to be 1.55 billion bushels. U.S. corn exporters are likely to face competition from Ukraine, Brazil, and Argentina during various times of the crop year. China's corn imports for 2014/15 are expected to decline from the current year's pace because stocks are ample. Corn imports by the European Union and Mexico are also expected to be less robust than the strong purchase paces in 2013/14. This implies transportation demand for corn exports could be down.

U.S. wheat exports are projected by USDA to fall slightly in 2014/15 due to tight supplies and strong competition from other major exporters like Australia, Argentina, the European Union, Russia, Ukraine and Kazakhstan. Typically, between 60 and 70 percent of wheat exports move by rail, which has faced many logistical problems with the 2013/14 harvest. Wheat exports are more dependent on rail than are corn and soybeans, which tend to move 50-60 percent more by barge for export movements. Ongoing rail logistical problems may impact exports both this year and next depending on how the situation resolves. However, lower expected wheat exports should alleviate some of the capacity pressure.

Soybean exports could reach a record 1.6 billion bushels in 2014/15 and China will continue to be a major market for U.S. soybean exporters. China imports more than half of the world's soybeans on the global market. At the Outlook Forum, USDA said there could be an increased opportunity for soybean exporters because decreased prices could increase soybean demand by the European Union, Turkey, Russia, Vietnam, Indonesia, and South Korea. The projected increase in soybean exports would increase demand for transportation services, such as barge and rail movements, in moving soybeans from producing regions to export elevators and terminals. Ocean freight rates are currently at moderate levels, but if significant amount of soybeans are exported from the United States, such as was witnessed in the Gulf during the third and fourth quarter of 2013, this may put upward pressure on ocean freight rates as the demand for bulk vessels rises.

Delays in the Panama Canal expansion project have pushed back the completion date until late into 2015, too late to impact exports during 2014/15. Completion of the Panama Canal expansion is expected to provide a cost advantage to shipping out of the Gulf Coast due to larger load shipments allowed to pass through the canal. This could facilitate increased barge and rail grain deliveries to the U.S. Gulf ports. GTRContactUs@ams.usda.gov

¹ Crop year begins September 1 for corn and soybeans; the crop year for wheat begins June 1.

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
02/26/14	270	239	287	329	237	199
02/19/14	268	239	272	333	233	191

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	2/21/2014	2/14/2014
Corn	IL--Gulf	-1.07	-0.95
Corn	NE--Gulf	-1.16	-1.04
Soybean	IA--Gulf	-1.49	-1.43
HRW	KS--Gulf	-1.72	-1.67
HRS	ND--Portland	-2.94	-3.28

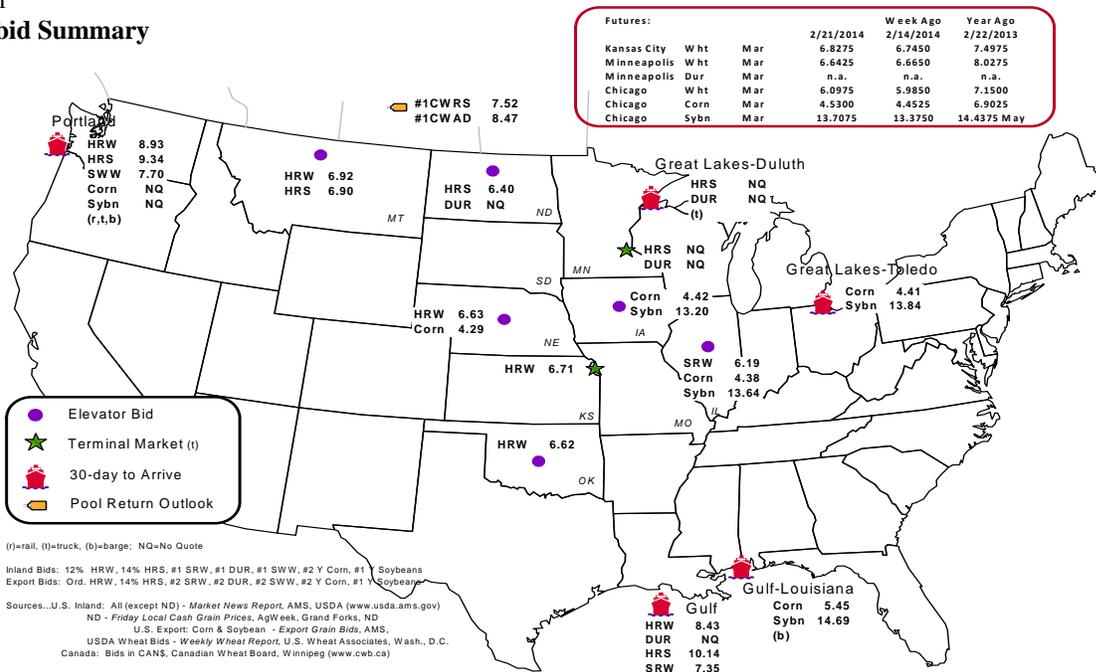
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Pacific	Atlantic &		Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf				
2/19/2014 ^p	918	1,791	5,957	955	9,621	2/15/2014	1,295	
2/12/2014 ^r	1,931	1,341	4,649	944	8,865	1/8/2014	2,188	
2014 YTD ^r	10,059	12,561	43,293	6,624	72,537	2014 YTD	13,625	
2013 YTD ^r	7,218	6,058	34,913	6,228	54,417	2013 YTD	8,535	
2014 YTD as % of 2013 YTD	139	207	124	106	133	% change YTD	160	
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.

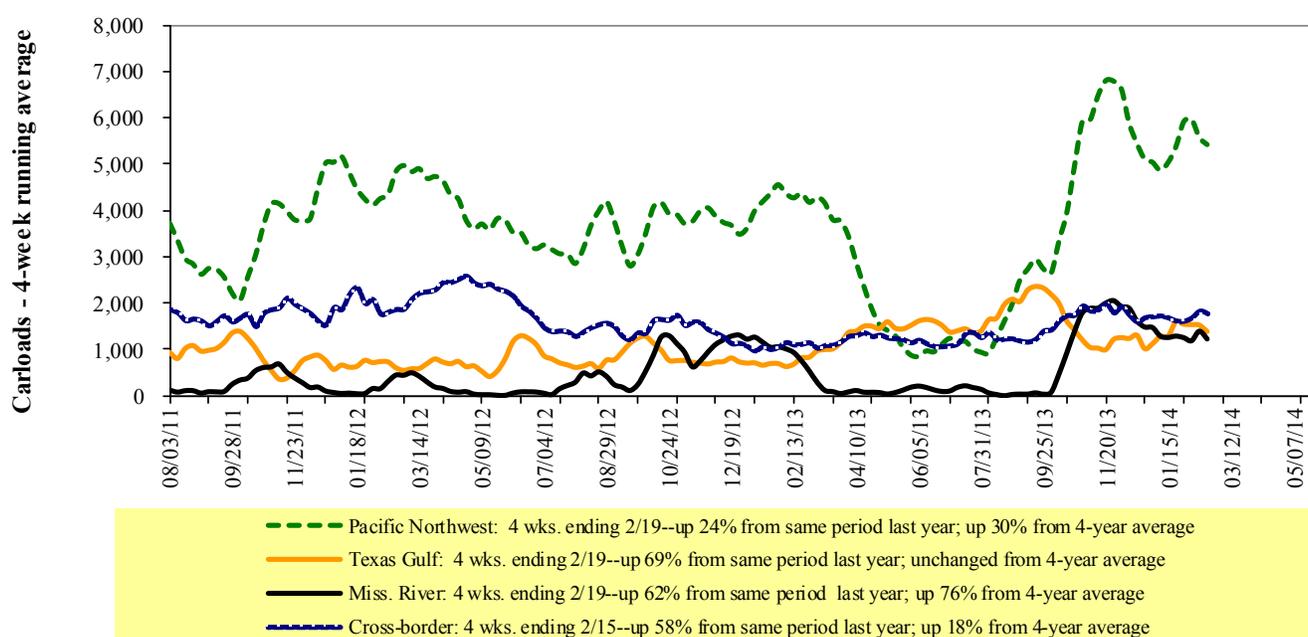
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



Source: Transportation & Marketing Programs/AMS/USDA

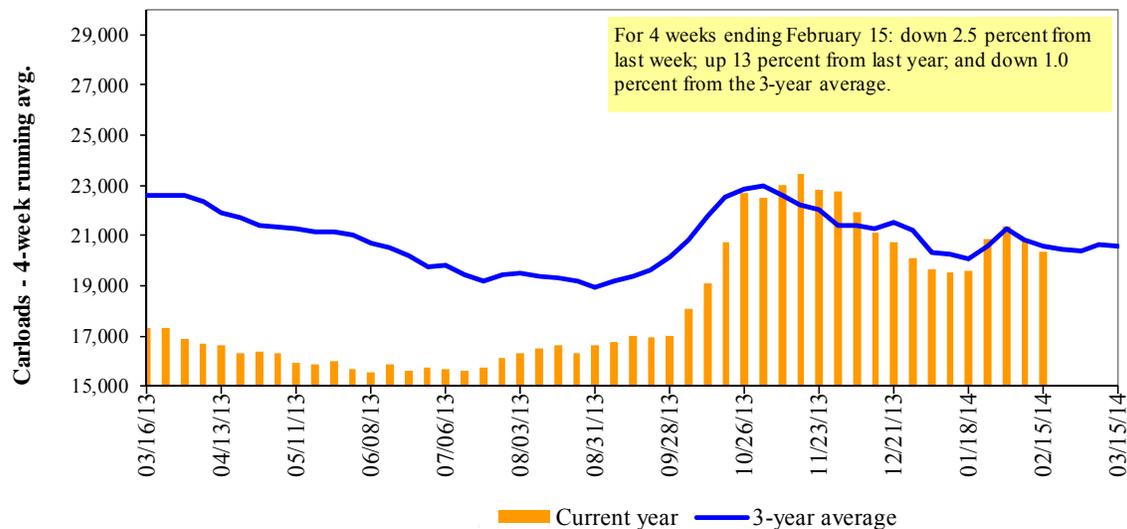
Table 4

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
02/15/14	1,799	2,693	8,138	911	5,596	19,137	3,755	4,840
This week last year	1,462	2,775	10,274	364	3,727	18,602	3,652	5,257
2014 YTD	14,409	20,402	58,994	7,080	40,696	141,581	26,414	33,212
2013 YTD	11,389	18,883	67,688	3,607	26,609	128,176	26,487	38,788
2014 YTD as % of 2013 YTD	127	108	87	196	153	110	100	86
Last 4 weeks as % of 2013	125	111	91	206	153	113	102	91
Last 4 weeks as % of 3-yr avg. ¹	100	101	84	193	118	99	96	95
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							
	Mar-14	Mar-13	Apr-14	Apr-13	May-14	May-13	Jun-14	Jun-13
BNSF ³								
COT grain units	no offer	0	no offer	0	no offer	0	no offer	no bids
COT grain single-car ⁵	no offer	0	no offer	no bids	no offer	no bids	no offer	no bids
UP ⁴								
GCAS/Region 1	no offer	no bids	no offer	no bids	no offer	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.

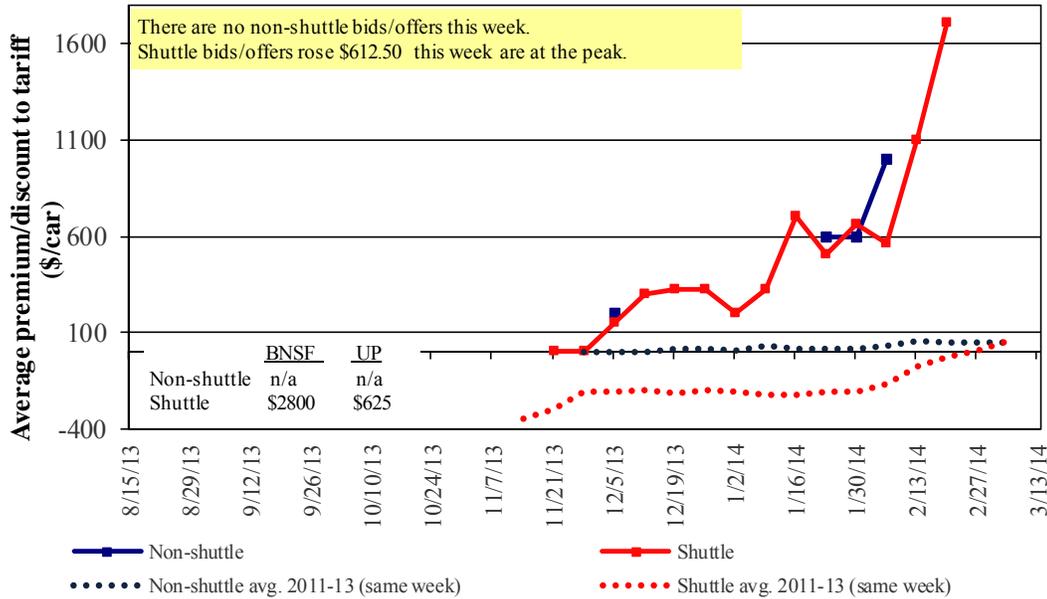
⁵Range is shown because average is not available. Not available = n/a.

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 March 2014, Secondary Market

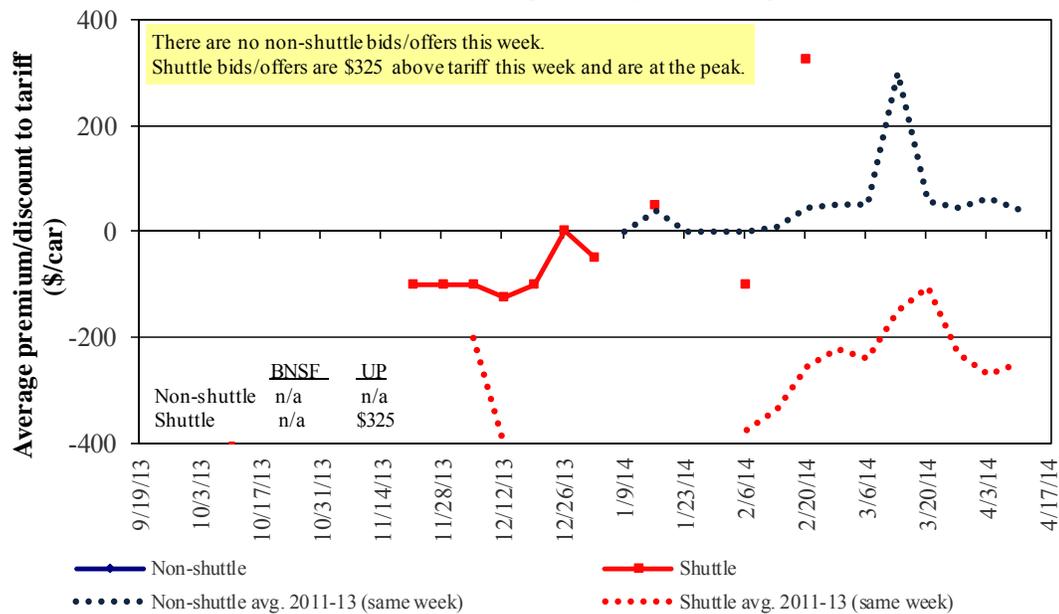


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

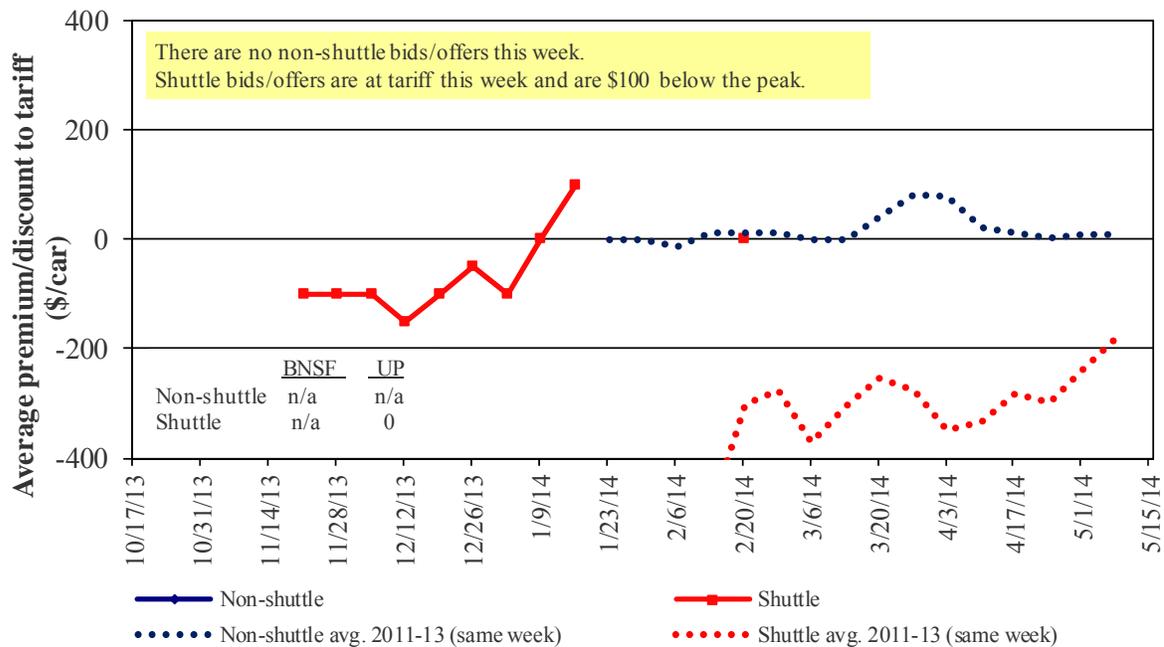


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in May 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					
	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Non-shuttle						
BNSF-GF	n/a	n/a	n/a	n/a	n/a	n/a
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	n/a	n/a	n/a	n/a	n/a	n/a
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	n/a	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	2,800	n/a	n/a	n/a	n/a	n/a
Change from last week	1,150	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	2,825	n/a	n/a	n/a	n/a	n/a
UP-Pool	625	325	-	n/a	n/a	n/a
Change from last week	75	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	729	475	150	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:		Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
2/1/2014	metric ton					bushe ^l ²		
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.

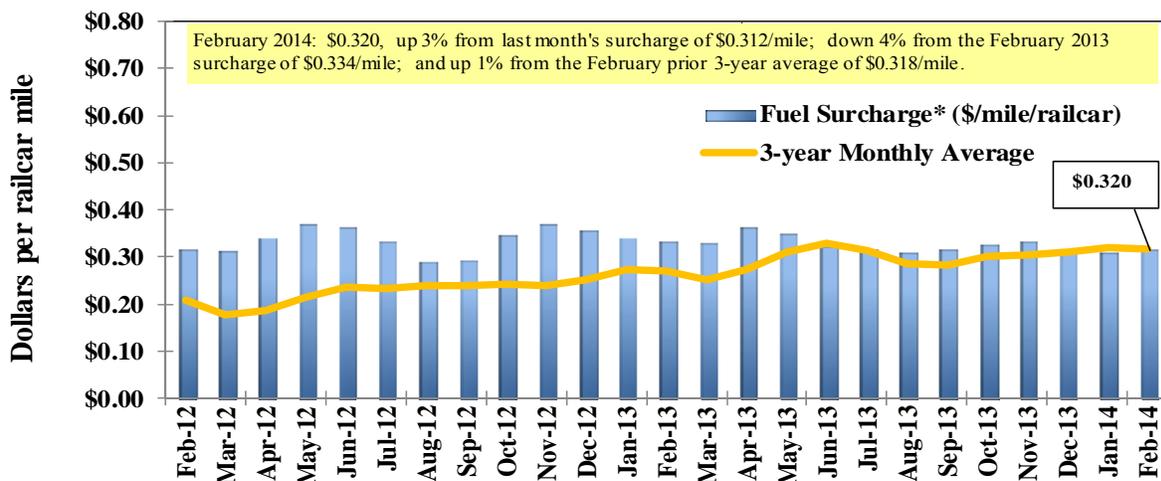
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

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.

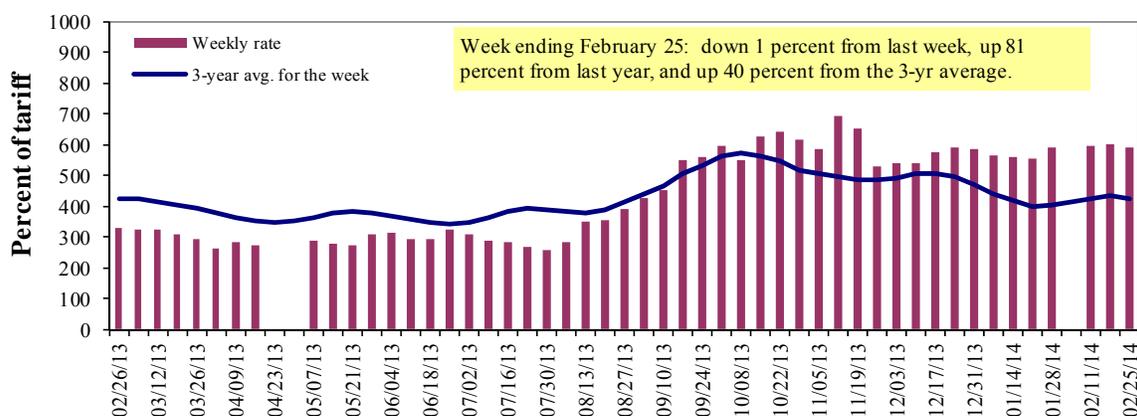
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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	2/25/2014	--	--	592	485	483	483	363
	2/18/2014	--	--	600	463	457	457	308
\$/ton	2/25/2014	--	--	27.47	19.35	22.65	19.51	11.40
	2/18/2014	--	--	27.84	18.47	21.43	18.46	9.67
Current week % change from the same week:								
	Last year	--	--	81	91	120	120	96
	3-year avg. ²	--	--	40	47	42	42	31
Rate¹	March	--	508	513	419	423	423	315
	May	462	433	433	344	368	368	292

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

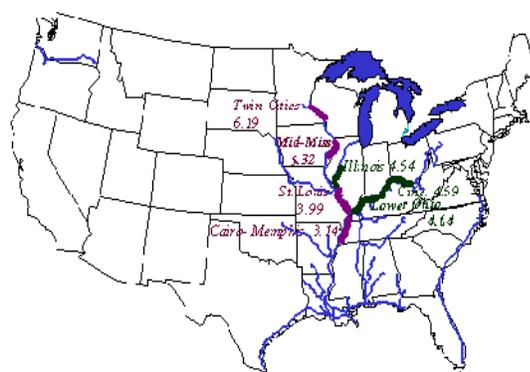
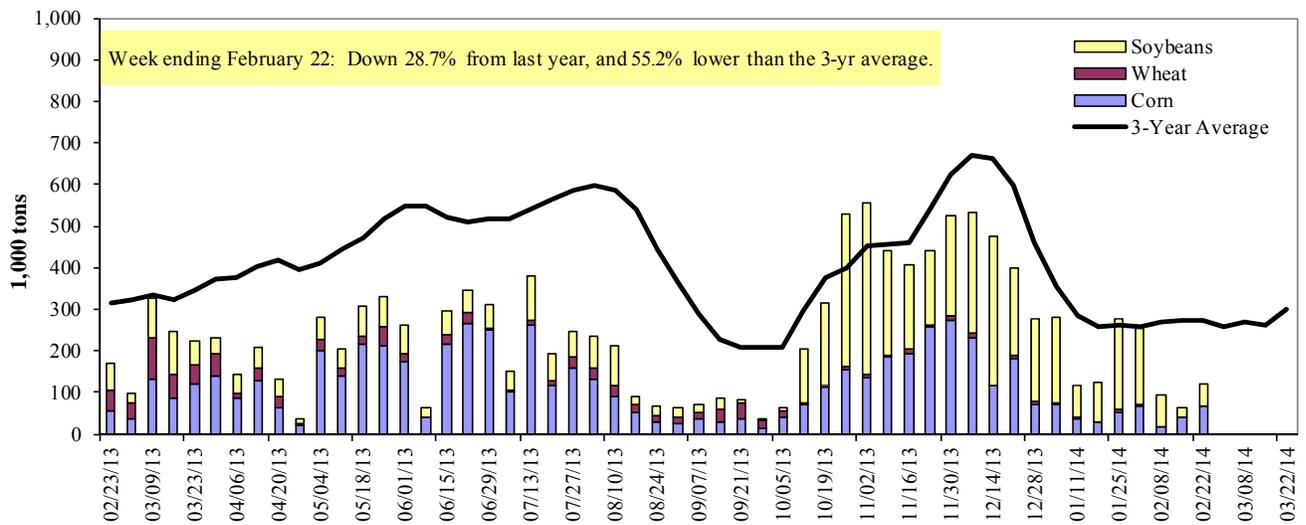


Figure 10

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 2/22/2014	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)	54	0	45	0	99
Granite City, IL (L27)	66	0	56	0	122
Illinois River (L8)	26	0	61	0	87
Ohio River (L52)	232	5	64	0	302
Arkansas River (L1)	3	13	28	1	45
Weekly total - 2014	301	18	148	1	468
Weekly total - 2013	112	121	185	3	422
2014 YTD ¹	1,825	143	2,574	35	4,576
2013 YTD	704	548	2,314	46	3,612
2014 as % of 2013 YTD	259	26	111	75	127
Last 4 weeks as % of 2013 ²	268	16	117	28	129
Total 2013	9,504	4,111	10,065	255	23,935

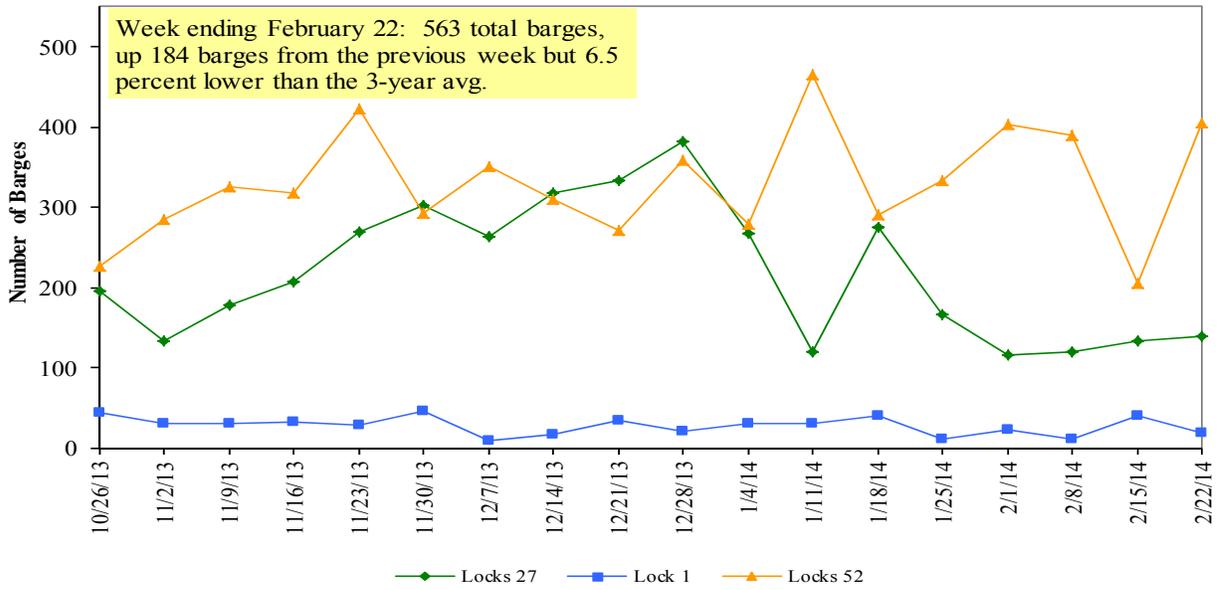
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

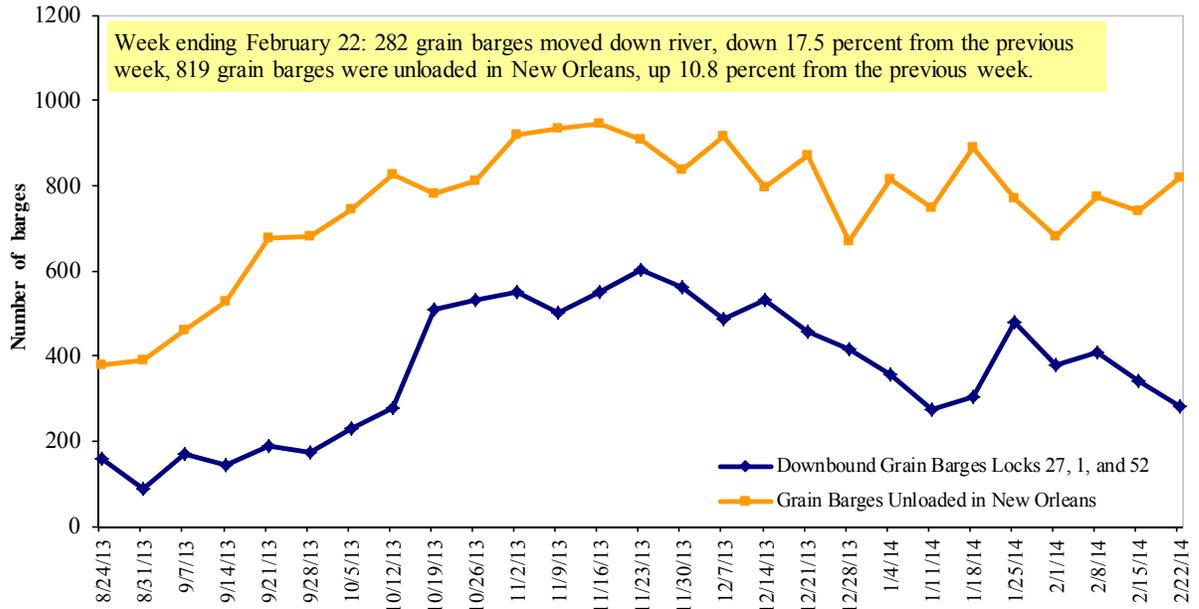
Source: U.S. Army Corps of Engineers

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 2/24/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.148	0.019	-0.053
	New England	4.386	0.013	0.042
	Central Atlantic	4.358	0.001	0.096
	Lower Atlantic	3.947	0.034	-0.182
II	Midwest ²	4.025	0.032	-0.096
III	Gulf Coast ³	3.806	0.023	-0.283
IV	Rocky Mountain	3.950	0.045	-0.107
V	West Coast	4.035	0.035	-0.264
	West Coast less California	3.948	0.037	-0.273
	California	4.109	0.034	-0.256
Total	U.S.	4.017	0.028	-0.142

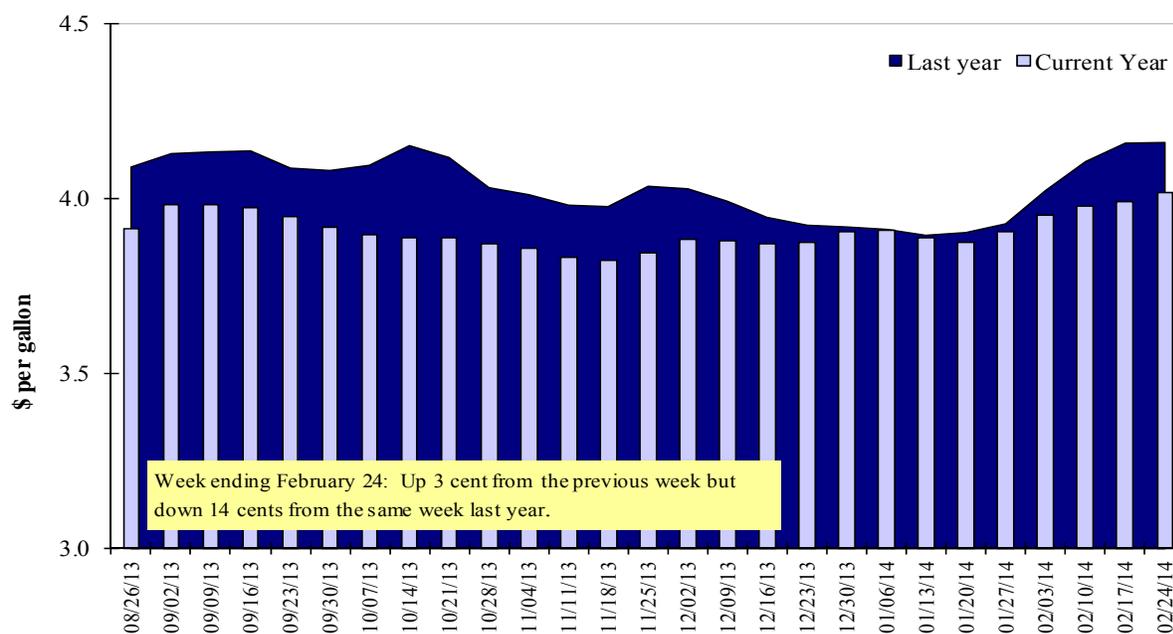
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
2/13/2014	1,843	1,140	1,633	1,086	166	5,867	18,834	8,854	33,555
This week year ago	1,810	1,636	1,259	941	81	5,726	5,470	4,769	15,965
Cumulative exports-marketing year²									
2013/14 YTD	8,519	6,082	4,140	2,801	308	21,849	16,462	34,362	72,673
2012/13 YTD	6,282	2,550	4,121	3,312	356	16,622	8,773	29,141	54,536
YTD 2013/14 as % of 2012/13	136	239	100	85	87	131	188	118	133
Last 4 wks as % of same period 2012/13	96	68	124	108	211	98	338	224	218
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 2/13/2014	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	7,647	4,814	59	7,000
Mexico	8,342	3,244	157	4,370
China	4,304	1,959	120	2,450
Venezuela	565	375	51	1,158
Taiwan	963	348	177	512
Top 5 Importers	21,821	10,741	103	15,490
Total US corn export sales	35,476	14,244	149	18,670
% of Projected	87%	77%		
Change from prior week	871	362		
Top 5 importers' share of U.S. corn export sales	62%	75%		83%
USDA forecast, February 2014	40,712	18,601	119	
Corn Use for Ethanol USDA forecast, February 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 2/13/2014	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	27,814	20,739	34	21,522
Mexico	2,417	1,704	42	2,565
Japan	1,412	1,342	5	1,751
Indonesia	1,682	953	77	1,682
Taiwan	960	952	1	1,120
Top 5 importers	34,284	25,690	33	28,641
Total US soybean export sales	43,216	33,910	27	37,060
% of Projected	105%	94%		
Change from prior week	20	(120)		
Top 5 importers' share of U.S. soybean export sales	79%	76%		
USDA forecast, February 2014	41,144	35,967	14	

(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 2/13/2014	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	2,574	3,037	(15)	3,544
Nigeria	2,442	2,488	(2)	3,002
Mexico	2,532	2,551	(1)	2,761
Philippines	1,713	1,786	(4)	1,965
Egypt	569	196	190	1,678
Korea	1,178	1,343	(12)	1,385
Taiwan	811	890	(9)	1,038
China	4,199	722	482	743
Brazil	3,738	119	3041	527
Colombia	716	510	40	600
Top 10 importers	20,472	13,641	50	17,243
Total US wheat export sales	27,716	22,348	24	26,348
% of Projected	87%	81%		
Change from prior week	425	699		
Top 10 importers' share of U.S. wheat export sales	74%	61%		65%
USDA forecast, February 2014	32,016	27,439	17	

(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 02/20/14	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	166	89	187	1,608	1,900	85	69	65	11,585
Corn	35	160	22	765	612	125	168	107	2,973
Soybeans	343	272	126	3,209	2,344	137	124	154	9,090
Total	544	521	104	5,582	4,855	115	108	109	23,647
Mississippi Gulf									
Wheat	87	44	196	636	1,080	59	33	46	9,711
Corn	632	570	111	3,628	1,365	266	293	108	14,828
Soybeans	823	1,044	79	7,373	5,109	144	169	138	21,462
Total	1,542	1,659	93	11,637	7,555	154	162	118	46,002
Texas Gulf									
Wheat	173	136	127	972	758	128	109	60	9,039
Corn	0	0	n/a	112	5	n/a	2,172	114	255
Soybeans	0	52	0	255	122	208	138	58	908
Total	173	188	92	1,339	885	151	123	63	10,203
Interior									
Wheat	14	22	65	170	154	111	128	120	1,244
Corn	110	93	119	822	336	245	121	105	3,943
Soybeans	72	88	81	786	729	108	251	137	3,212
Total	196	203	97	1,778	1,219	146	281	119	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	3	0	0	0	699
Total	0	0	n/a	0	5	0	0	0	1,583
Atlantic									
Wheat	0	31	0	31	108	29	37	40	645
Corn	0	5	0	15	2	787	665	77	242
Soybeans	90	85	105	632	451	140	160	198	1,652
Total	90	121	74	678	561	121	128	144	2,540
U.S. total from ports²									
Wheat	441	323	136	3,418	4,002	85	121	95	33,108
Corn	777	827	94	5,341	2,319	230	251	118	22,241
Soybeans	1,327	1,542	86	12,255	8,759	140	135	146	37,024
Total	2,545	2,692	95	21,014	15,080	139	152	127	92,373

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

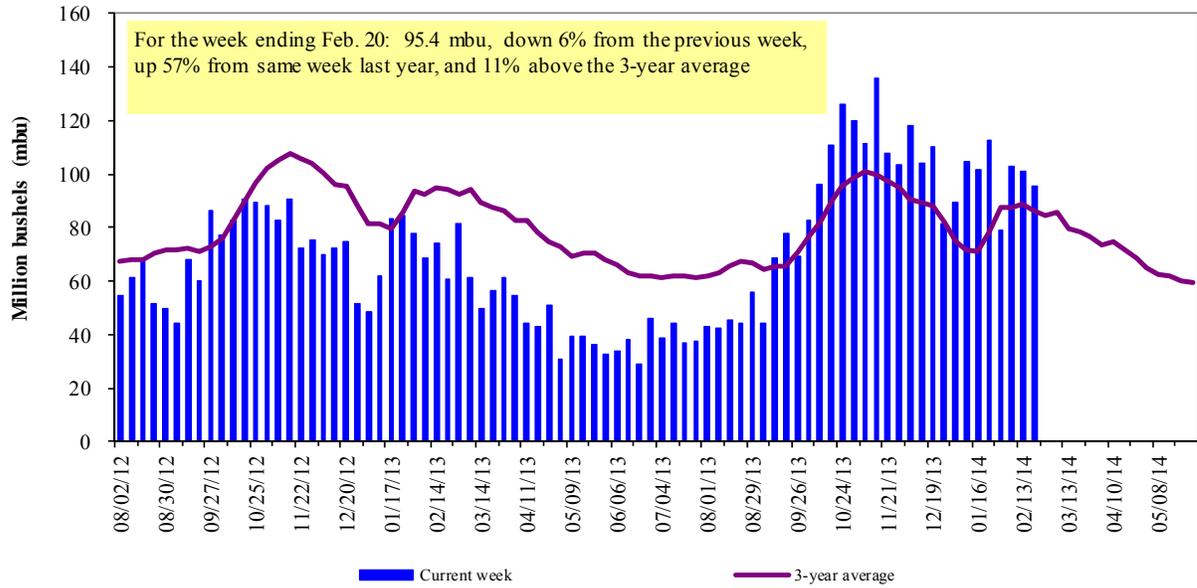
² Total includes only port regions shown above; Interior land-based shipments now included.

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 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2013.

Figure 14

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

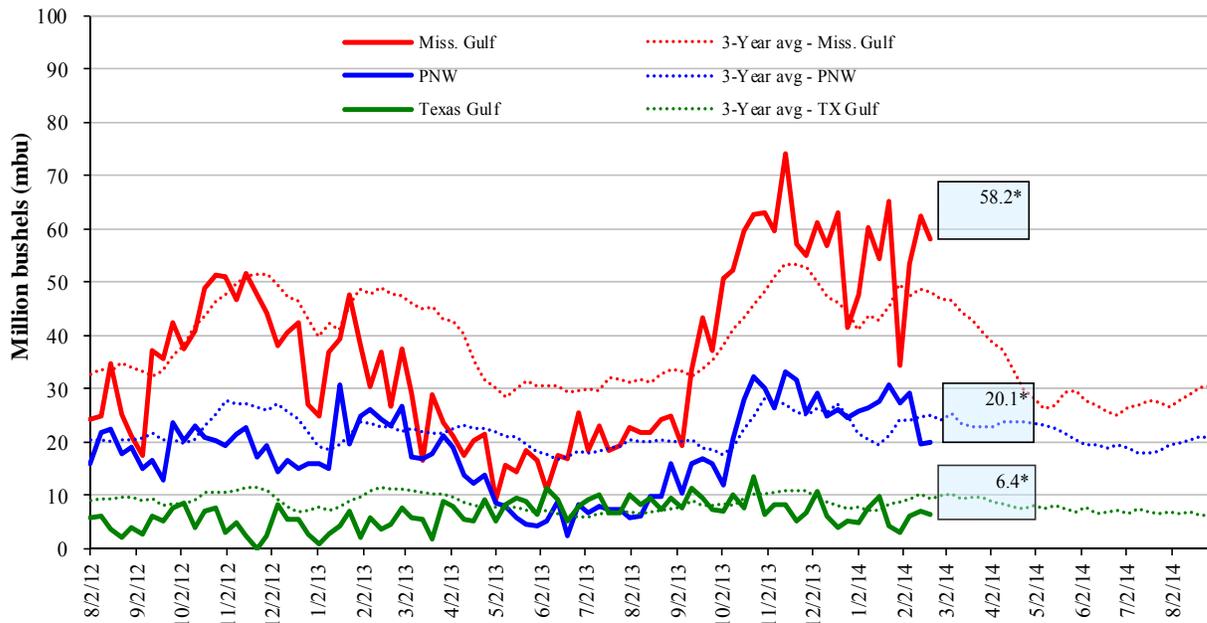


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

Feb. 20: % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	down 7	down 8	up 3	up 3
Last year (same week)	up 118	up 34	down 13	down 13
3-yr avg. (4-wk mov. avg)	up 33	down 9	down 19	down 19

Ocean Transportation

Table 17

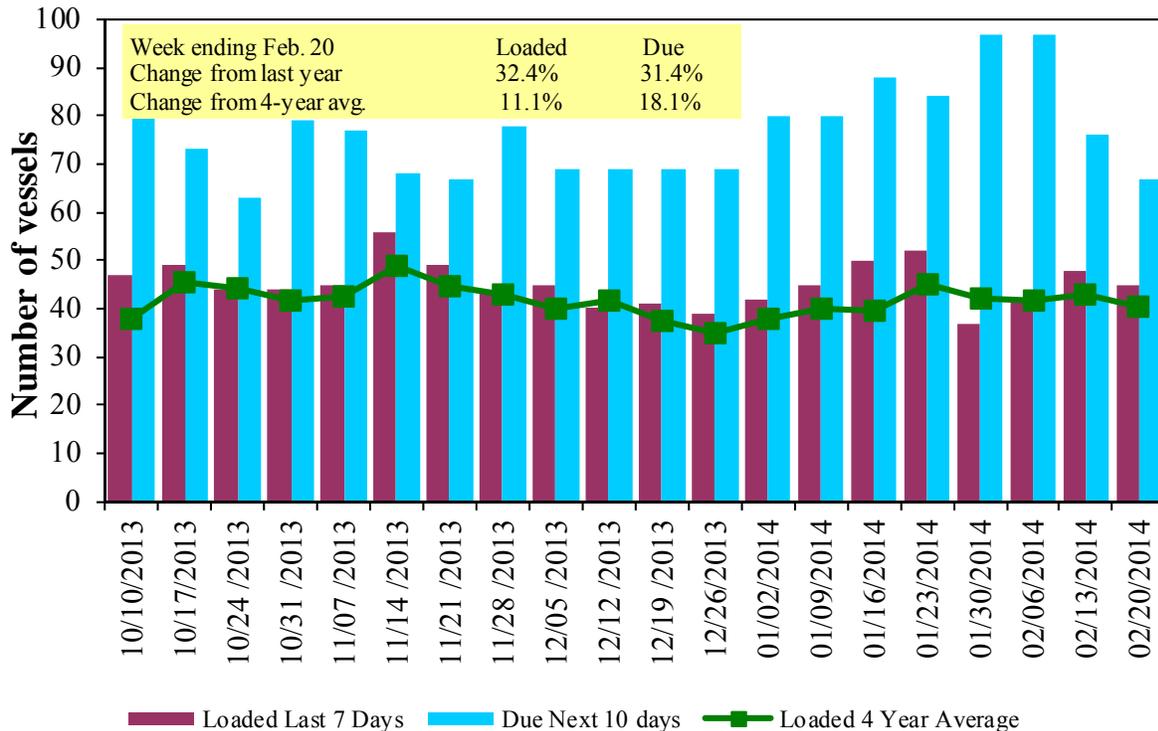
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
2/20/2014	82	45	67	26	n/a
2/13/2014	87	48	76	21	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

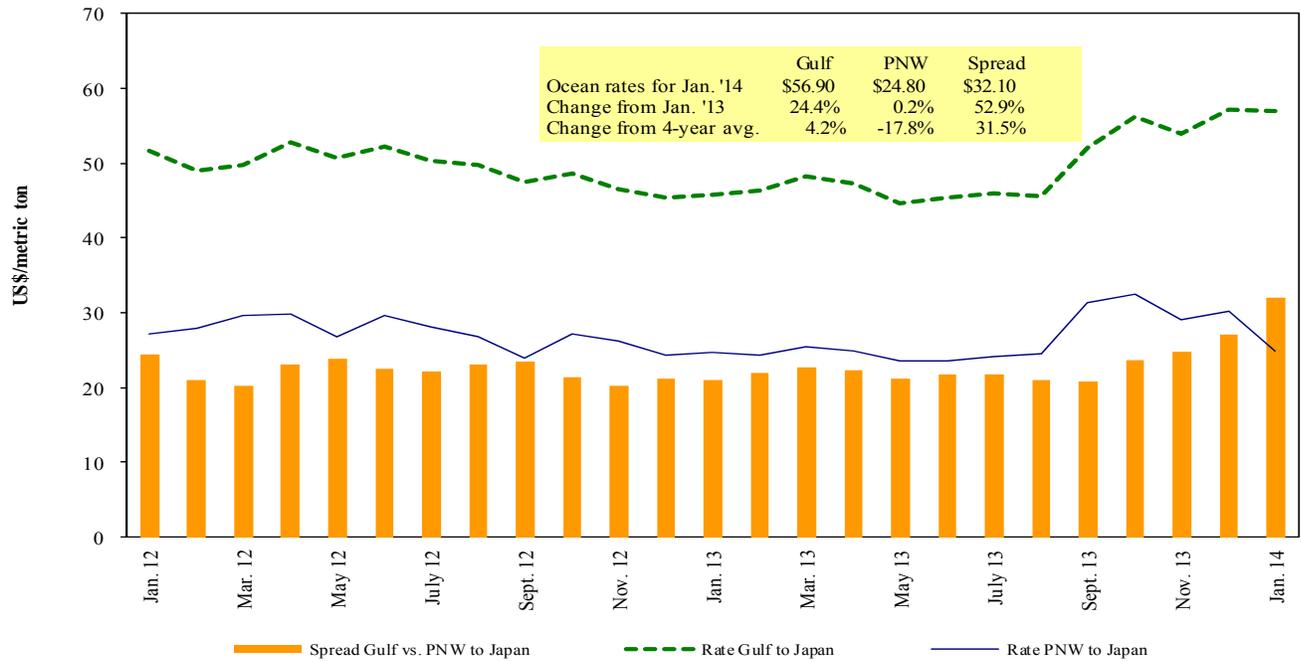


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

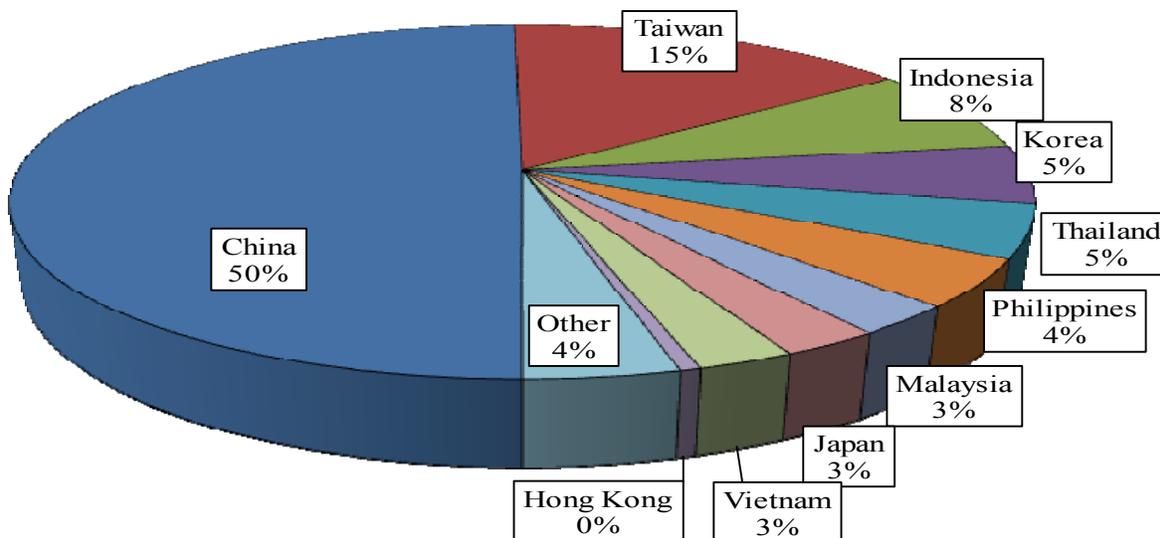
Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 2/22/2014

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Feb 15/25	55,000	49.00
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	47.50
U.S. Gulf	China	Heavy Grain	Jan 31	58,000	56.50
U.S. Gulf	S. Korea	Heavy Grain	Feb 11/20	54,000	50.50
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
Australia	vietnam	Heavy Grain	Feb 15/25	55,000	17.50
Brazil	China	Heavy Grain	Apr 1/30	60,000	42.25
Brazil	China	Heavy Grain	Mar 20/25	60,000	40.50
Brazil	China	Heavy Grain	Mar 1/10	60,000	38.50
Brazil	China	Heavy Grain	Mar 3/7	60,000	40.00
Brazil	China	Heavy Grain	Mar 5/15	60,000	40.50
Brazil	China	Heavy Grain	Mar 10/20	60,000	39.50
Brazil	Rotterdam	Soybean Meal	Jan 20/29	30,000	33.00

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.

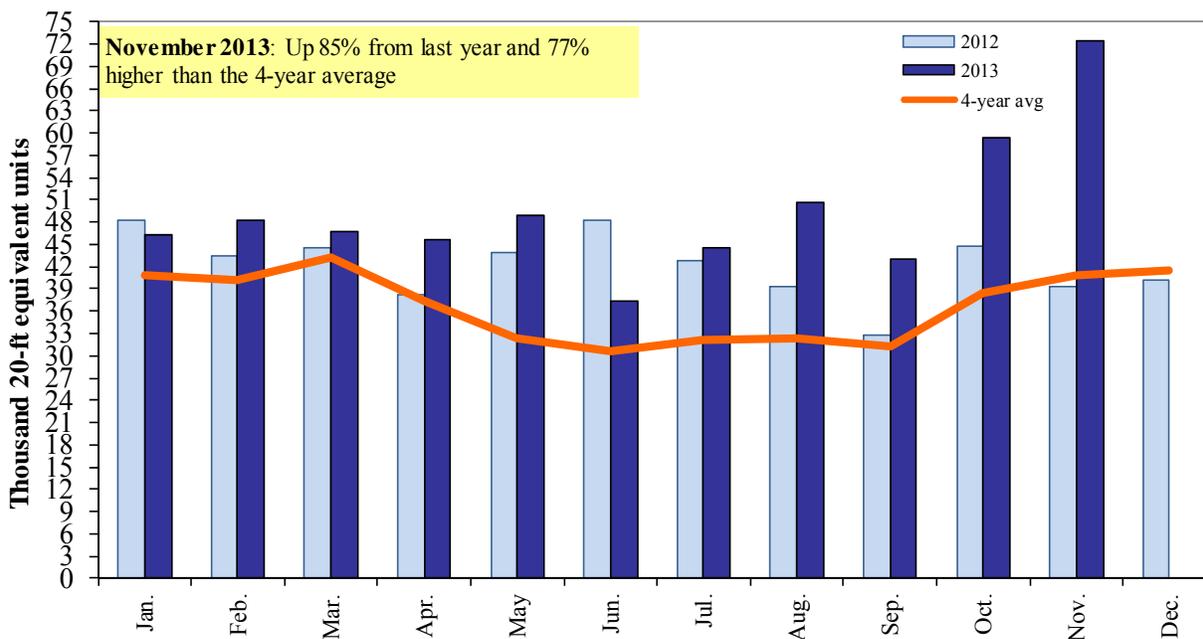
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, November 2013



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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