



Agricultural
Marketing
Service



A weekly publication of the
Transportation and Marketing Programs/Transportation Services Division
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Contact Us

April 5, 2012

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Quarterly
Updates

 Data Links

Specialists

Subscription
Information

The next
release is
Apr. 12, 2012

WEEKLY HIGHLIGHTS

Corn Inspections Boost Total Grain Exports

For the week ending March 29, **total inspections of grain** (wheat, corn, soybeans) for export reached 1.93 mmt, up 11 percent from the past week but 23 percent below last year. Corn inspections (.789 mmt) increased by 25 percent as shipments to Asia rebounded by 81 percent. Corn inspections in the Mississippi Gulf increased by 26 percent; Pacific Northwest corn inspections increased 104 percent. Total soybean inspections (.726 mmt) increased 5 percent from the past week and were 7 percent above the 4-week running average. Shipments of soybeans destined to China increased 15 percent from the past week. Wheat inspections (.419 mmt), however, remained unchanged from the previous week.

Corn and Wheat Planted Acreage Intentions Up From 2011, Soybean Acreage Down

According to USDA's March 30 [Prospective Plantings Report](#), farmers intend to plant 95.9 million acres of corn this spring for harvest in the fall. This is up 4 percent from last year and 9 percent higher than in 2010. If realized, this will be the highest planted acreage in the United States since 1937, when an estimated 97.2 million acres were planted. Soybean planted area for 2012 is estimated at 73.9 million acres, down 1 percent from last year and down 5 percent from 2010. Compared with 2011, soybean planted area is down or unchanged across the Corn Belt and Great Plains with the exceptions of Illinois, North Dakota, South Dakota, and Wisconsin. All wheat planted area is estimated at 55.9 million acres, up 3 percent from 2011. The 2012 winter wheat planted area, at 41.7 million acres, is up 3 percent from last year but down 1 percent from the previous estimate. With the increase in corn acres and the fact that corn yields can be more than three times those of soybeans or wheat, grain transportation requirements will likely increase this year.

USDA, DOE, and Navy to Host Advanced Biofuels Roundtable in May

On May 18, USDA, along with the Department of Energy and the Department of Navy, will co-host an Advanced Biofuels Industry Roundtable in Washington D.C. The Roundtable will focus on efforts to accelerate the production of bio-based fuels for military and commercial purposes. Topics will include production, distribution and contracting, and best practices. In August 2011, the agencies announced plans to invest up to \$510 million during the next three years to produce drop-in aviation and marine biofuels. In December, the Navy announced "the single largest purchase of advanced drop-in biofuel in government history by the Defense Logistics Agency," for 450,000 gallons of fuel. This roundtable follows a matchmaking event hosted on March 30 at USDA headquarters to promote connections between agricultural producers of energy feedstocks and biorefineries.

New Export-Specification Ethanol Pipeline in NY Harbor

On April 3, Kinder Morgan Energy Partners LP announced the opening of operations of its new 16-inch dedicated ethanol pipeline, connecting its Linden, NJ, unit train facility and its New York Harbor terminal in Carteret, NJ. The pipeline has the dual benefit of allowing land-locked Linden customers access to four Carteret barge docks and two ship docks. Conversely, ethanol customers at Carteret now have easy access to a full unit train receiving system located approximately 8 miles northwest of the Harbor. Initially, the pipeline will be operated to move domestic grade, fully denatured ethanol. However, the Linden-Carteret pipeline will be offering the capability to handle ethanol with specifications suitable for export as the market dictates. U.S. ethanol exports set a record in January, reaching 76.3 million gallons, 33 percent higher than January 2011.

Snapshots by Sector

Rail

U.S. railroads originated 20,548 **carloads of grain** during the week ending March 24, down 4 percent from last week, and 15 percent from last year, and 6 percent lower than the 3-year average.

During the week ending March 29, average April non-shuttle **secondary railcar bids/offers per car** were \$17.50 above tariff, the same as last week and \$102 lower than last year. Average shuttle rates were \$241 below tariff, down \$28.50 from last week and \$62 higher than last year.

Barge

During the week ending March 31, **barge grain movements** totaled 795,830 tons, up 2 percent from the previous week and 15 percent higher than the same period last year. During the same week, 493 grain barges **moved down river**, about the same as the previous week, and 482 grain barges were **unloaded in New Orleans**, down 3 percent from last week.

Ocean

During the week ending March 29, 34 **ocean-going grain vessels** were loaded in the Gulf, down 33 percent from last year. Forty-one vessels are expected to be loaded within the next 10 days, 18 percent less than the same period last year.

During the week ending March 30, the **ocean freight rate** for shipping bulk grain from the Gulf to Japan was \$51 per mt, unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$29.50 per mt, unchanged from the previous week.

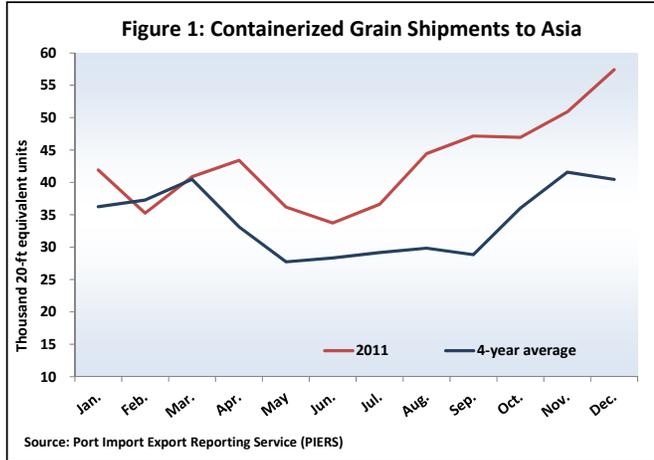
Fuel

During the week ending April 2, U.S. average **diesel fuel prices** remained at \$4.14 per gallon—17 cents higher than the same week last year.

Feature Article/Calendar

Record Year for U.S. Containerized Grain Exports in 2011

Containerized grain exports reached a record level in 2011, encouraged by sufficient container availability most of the year and relatively low ocean freight rates. In 2011, U.S. containerized grain exports reached more than 538,000 twenty-foot equivalent units (TEU), breaking the record set in 2008 by 11 percent. As we finish the first quarter of 2012, exporters face tight container supplies at inland locations and reductions in vessel service. Weak import demand at this time of year causes carriers to take measures to tighten surplus vessel capacity in the market.



From March through December of 2011, containerized grain exports were above the 4-year average (see figure 1). Distillers grains was the top commodity exported, followed by soybeans and corn (see table below). In 2011, Asian countries were the top 10 destinations for U.S. containerized distillers grains; they all imported significantly more distillers grains than in 2010. Despite the trade dispute case over distillers grains with China, Asian demand for distillers grains continues in order to feed their countries' growing animal inventories as their incomes grow and the demand for meat increases.

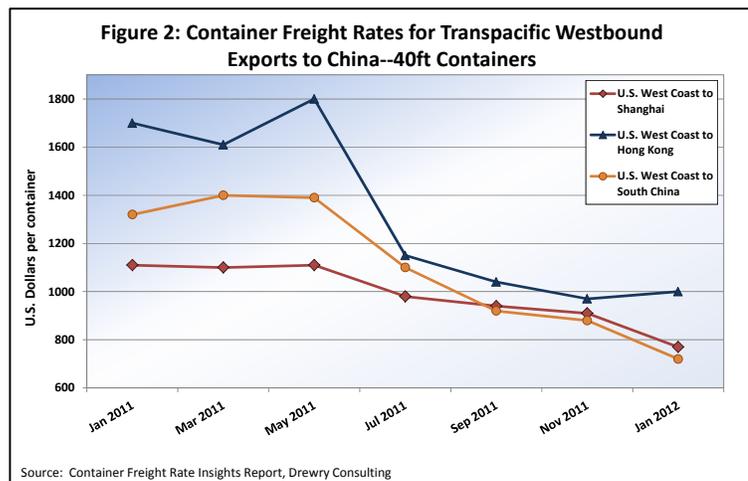
U.S. Containerized Grain Exports, 2011			
HTS Code	Commodity	TEU	Share
230330	Distillers Grains	189,520	35%
120100	Soybeans	149,837	28%
100590	Corn	77,131	14%
230990	Animal feed	55,907	10%
120810	Soybean meal and flour	22,552	4%
	Other	43,522	8%
Total		538,470	100%

Source: Port Import Export Reporting Service (PIERS)

A record export year, however, comes at the cost of a year in the red for the ocean container carriers. Sustained low rates pushed some carriers to close their doors in 2011, and others moved forward with negative profit for the year. This situation is a result of slow demand for consumer goods in the United States and Europe. Additionally, overcapacity in the global vessel fleet—where carriers have more vessel capacity than cargo to fill it—put downward pressure on rates in 2011. Over the past few years, carriers have significantly increased the number and size of vessels in their fleets. This additional capacity, with little recovery in demand, has destabilized the market, causing rates to remain relatively low (See figure 2 below). Carriers will be eager to increase rates in 2012, particularly as rising oil prices put additional pressure on input costs.

Market Outlook

During the first part of 2012, carriers have removed approximately 5 percent of the global vessel fleet. Winter vessel service withdrawal programs are typical for this time of year as a measure to remove excess fleet capacity when import traffic is slow. In practice, the winter withdrawal programs are implemented by carriers removing strings of service,



These practices make finding vessel service for U.S. exporters challenging during a busy time of year for U.S. grain exports. The carriers' withdrawal programs are expected to continue through May and could be further delayed if import demand does not improve. Drewry Consultants report that if rates remain low in 2012, carriers may be forced to withdraw vessel capacity mid-year in order to take downward pressure off rates.

Containers remain in short supply. A recent article in the Wall Street Daily reported data from Alphaliner showing the "box-to-slot" ratio, which measures the number of containers versus the spaces on container ships, has fallen from 3-to-1 to 2-to-1 since 2000, an all-time low. Additionally, over the past 2 years, container-leasing rates as well as container purchase prices have gone up, some reports say, by 40 and 130 percent, respectively. Higher priced containers as well as slow demand for cargo movements may discourage carriers from acquiring additional containers in the short-run.

The U.S. economic recovery, growing demand for high-quality food products from developing economies, and a weak U.S. dollar could cause continued container shortages for U.S. exporters in 2012. Possible rate increases, limited vessel service, and container availability challenges, will leave agricultural exporters facing higher transportation costs and logistical challenges in the face of increasing demand for their products overseas. April.Taylor@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
04/04/12	278	226	191	181	228	209
03/28/12	281	226	192	196	228	209

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

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

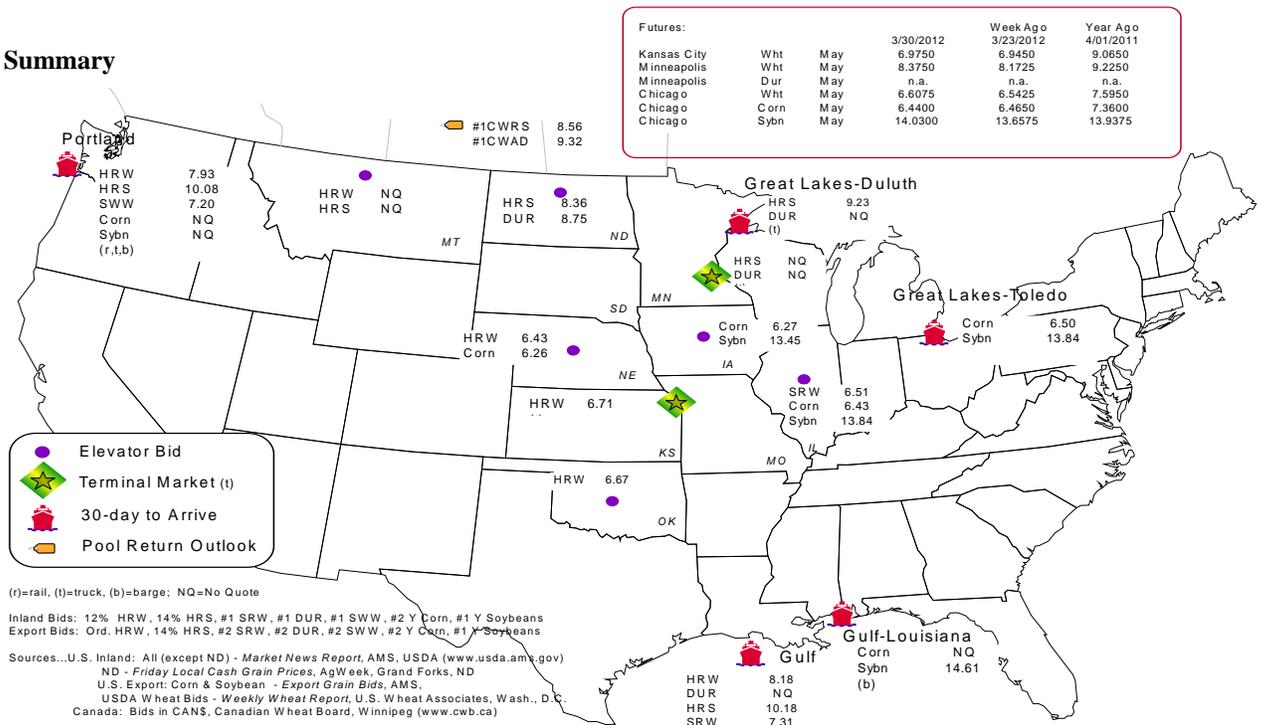
Commodity	Origin--Destination	3/30/2012	3/23/2012
Corn	IL--Gulf	n/a	-0.62
Corn	NE--Gulf	n/a	-0.77
Soybean	IA--Gulf	-1.16	-1.15
HRW	KS--Gulf	-1.47	-1.57
HRS	ND--Portland	-1.72	-1.85

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		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
3/28/2012 ^p	6	980	1,492	3,111	541	6,130
3/21/2012 ^r	68	668	1,197	3,065	633	5,631
2012 YTD	3,182	9,240	14,936	39,795	6,648	73,801
2011 YTD	14,827	29,149	8,811	52,102	9,879	114,768
2012 YTD as % of 2011 YTD	21	32	170	76	67	64
Last 4 weeks as % of 2011 ²	15	32	137	73	71	61
Last 4 weeks as % of 4-year avg. ²	21	41	162	71	63	67
Total 2011	27,358	77,515	48,782	178,990	24,088	356,733
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2011 and prior 4-year average.

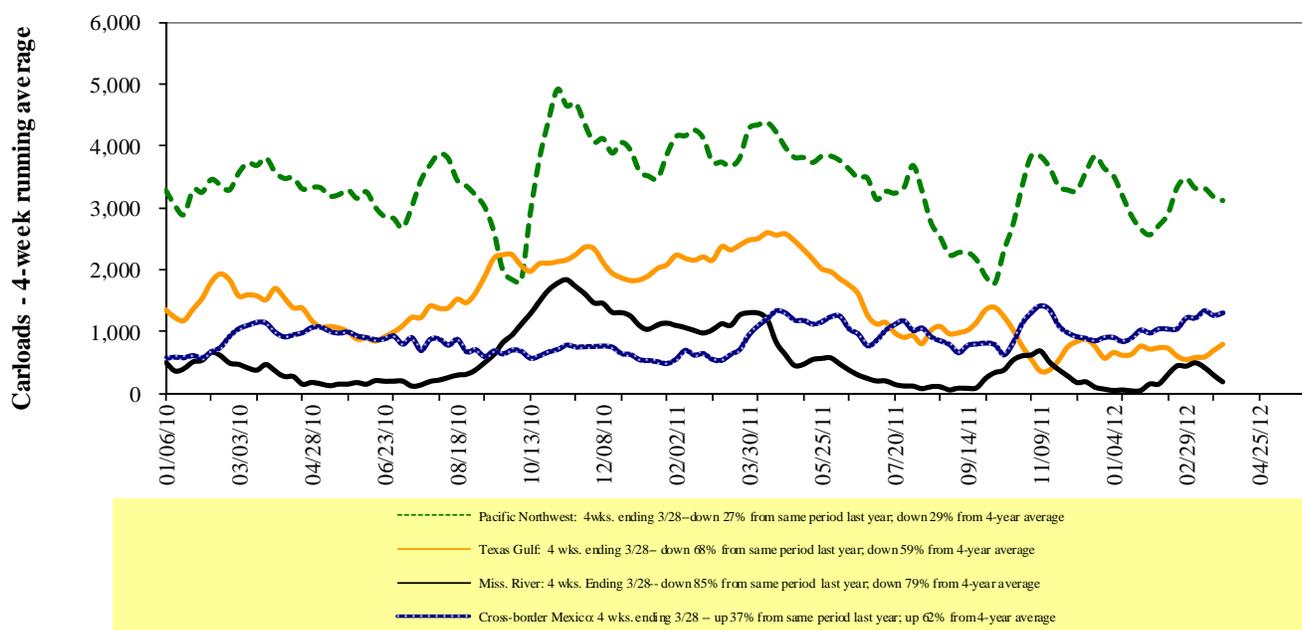
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 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

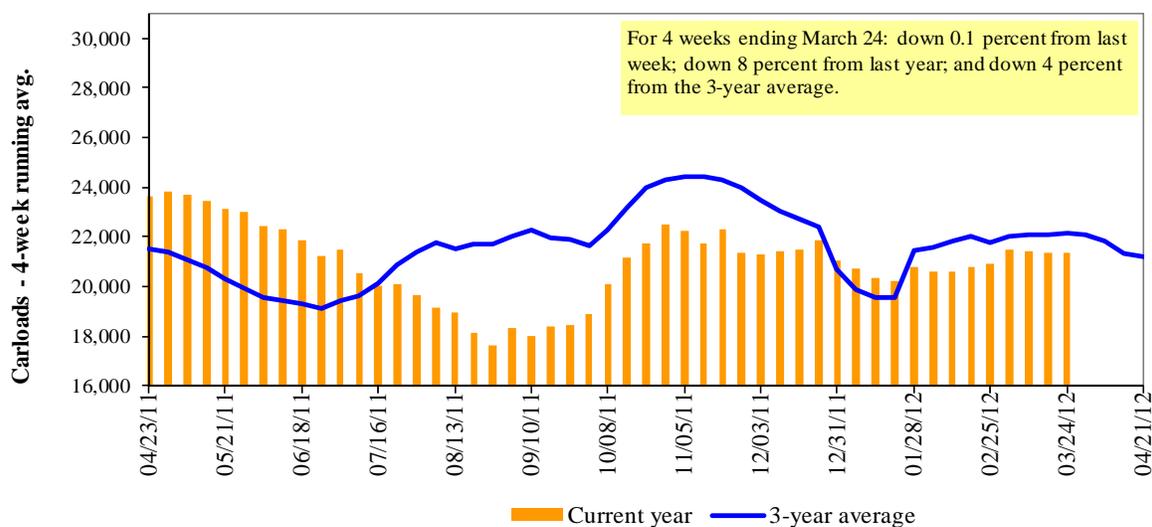
Table 4

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
03/24/12	2,278	2,442	9,419	426	5,983	20,548	3,573	4,864
This week last year	2,138	3,648	11,609	613	6,040	24,048	4,162	5,025
2012 YTD	26,264	34,981	123,322	5,943	61,756	252,266	45,135	61,240
2011 YTD	25,966	36,381	137,348	7,009	74,813	281,517	46,957	54,329
2012 YTD as % of 2011 YTD	101	96	90	85	83	90	96	113
Last 4 weeks as % of 2011 ¹	99	89	98	86	81	92	89	114
Last 4 weeks as % of 3-yr avg. ¹	91	96	103	70	92	97	87	98
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

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							
	Apr-12	Apr-11	May-12	May-11	Jun-12	Jun-11	Jul-12	Jul-11
BNSF ³								
COT grain units	no bids	no offer	no bids	no offer	no bids	3	no offer	9
COT grain single-car ⁵	no bids	no offer	no bids	no offer	no bids	27 . . 70	no offer	27 . . 70
UP ⁴								
GCAS/Region 1	no bids	1	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	1	no bids	no bids	no bids	no bids	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.

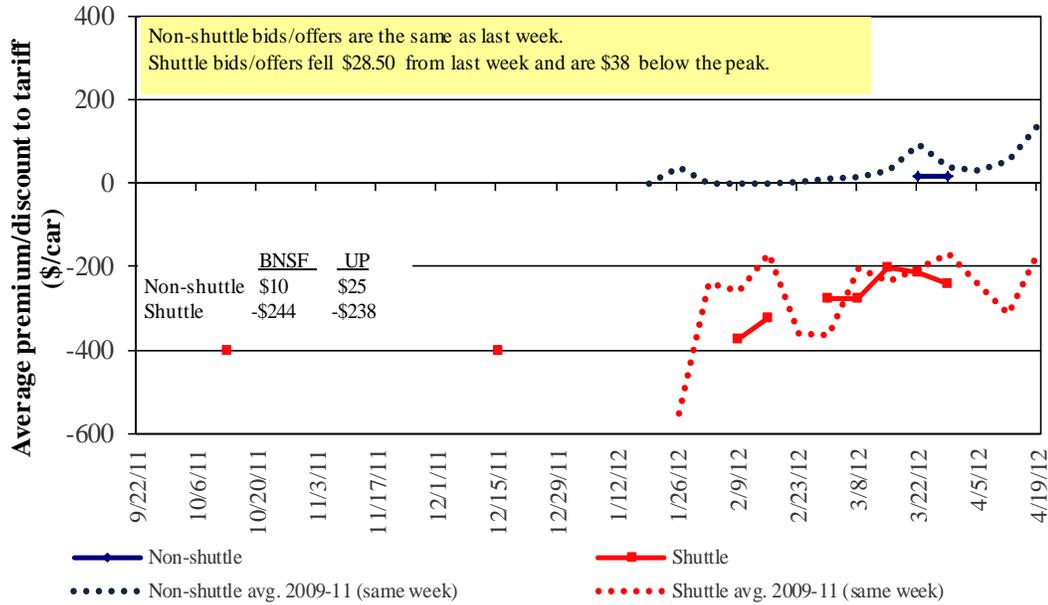
⁵Range is shown because average is not available. Not available = n/a.

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 April 2012, Secondary Market

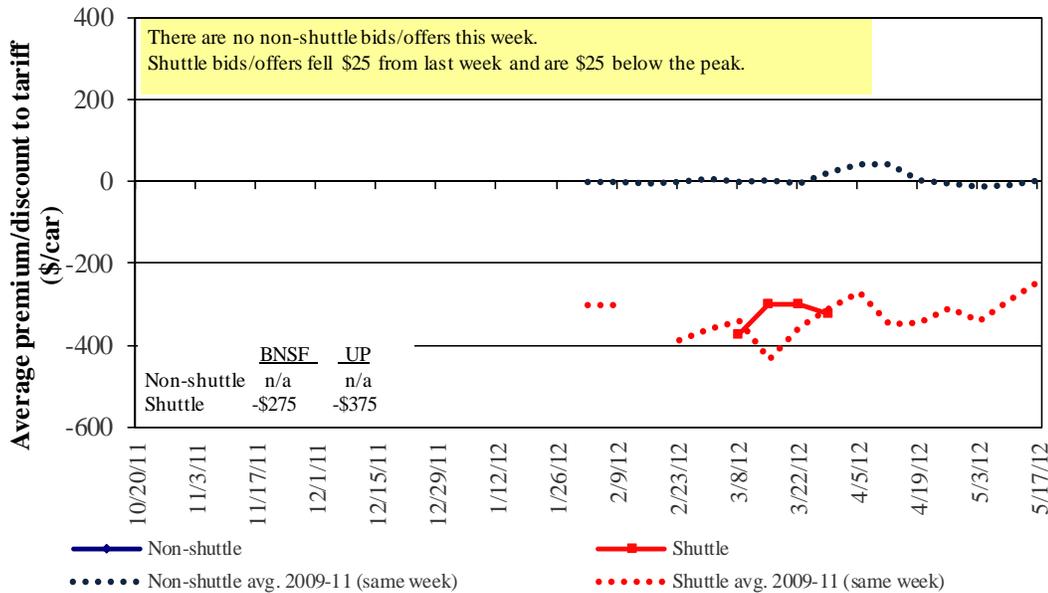


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in May 2012, Secondary Market

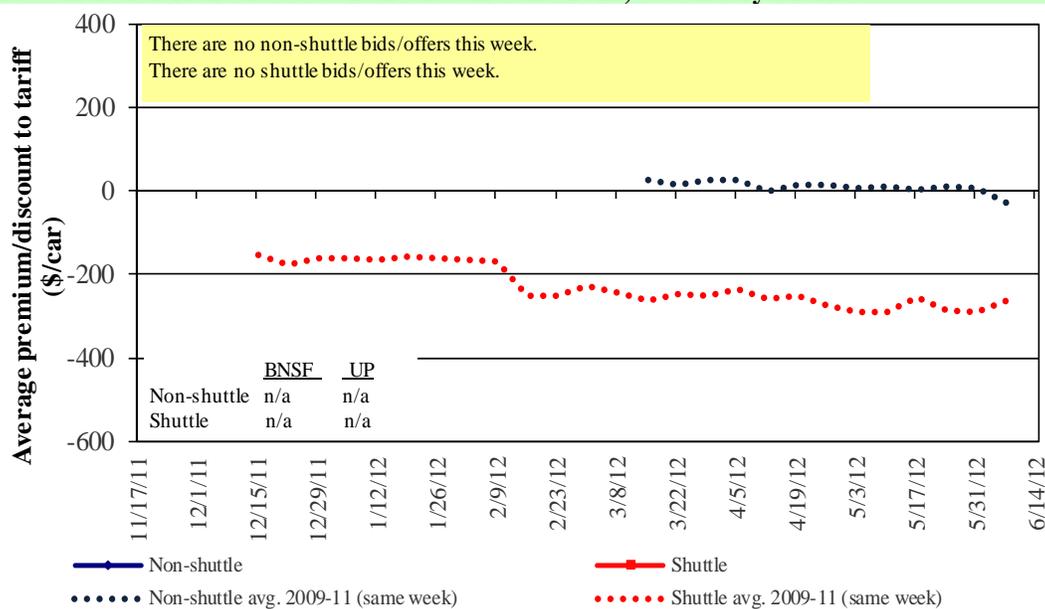


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in June 2012, 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					
	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12
Non-shuttle						
BNSF-GF	10	n/a	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	(215)	n/a	n/a	n/a	n/a	n/a
UP-Pool	25	n/a	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	12	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(244)	(275)	n/a	(300)	n/a	(175)
Change from last week	(44)	n/a	n/a	50	n/a	(12)
Change from same week 2011	73	n/a	n/a	n/a	n/a	n/a
UP-Pool	(238)	(375)	n/a	(300)	n/a	n/a
Change from last week	(13)	(75)	n/a	-	n/a	n/a
Change from same week 2011	50	(75)	n/a	(50)	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 Shipments¹

Effective date:				Fuel	Tariff plus surcharge per:		Percent
4/1/2012	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ^l ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$2,992	\$192	\$31.62	\$0.86	5
	Grand Forks, ND	Duluth-Superior, MN	\$3,260	\$110	\$33.47	\$0.91	16
	Wichita, KS	Los Angeles, CA	\$5,895	\$566	\$64.16	\$1.75	5
	Wichita, KS	New Orleans, LA	\$3,492	\$338	\$38.04	\$1.04	5
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$465	\$59.96	\$1.63	5
	Northwest KS	Galveston-Houston, TX	\$3,760	\$371	\$41.02	\$1.12	5
	Amarillo, TX	Los Angeles, CA	\$3,959	\$516	\$44.44	\$1.21	5
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,038	\$382	\$33.97	\$0.92	10
	Toledo, OH	Raleigh, NC	\$4,382	\$424	\$47.73	\$1.30	17
	Des Moines, IA	Davenport, IA	\$1,934	\$81	\$20.01	\$0.54	6
	Indianapolis, IN	Atlanta, GA	\$3,821	\$319	\$41.11	\$1.12	20
	Indianapolis, IN	Knoxville, TN	\$3,273	\$204	\$34.53	\$0.94	19
	Des Moines, IA	Little Rock, AR	\$3,074	\$238	\$32.89	\$0.90	6
Soybeans	Des Moines, IA	Los Angeles, CA	\$4,985	\$693	\$56.38	\$1.53	15
	Minneapolis, MN	New Orleans, LA	\$3,239	\$417	\$36.31	\$0.99	1
	Toledo, OH	Huntsville, AL	\$3,497	\$301	\$37.72	\$1.03	20
	Indianapolis, IN	Raleigh, NC	\$4,453	\$427	\$48.46	\$1.32	17
	Indianapolis, IN	Huntsville, AL	\$3,497	\$204	\$36.76	\$1.00	33
Champaign-Urbana, IL	New Orleans, LA	\$3,382	\$382	\$37.38	\$1.02	9	
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,351	\$326	\$36.51	\$0.99	5
	Wichita, KS	Galveston-Houston, TX	\$3,247	\$253	\$34.76	\$0.95	5
	Chicago, IL	Albany, NY	\$3,645	\$398	\$40.15	\$1.09	6
	Grand Forks, ND	Portland, OR	\$4,832	\$562	\$53.57	\$1.46	5
	Grand Forks, ND	Galveston-Houston, TX	\$5,854	\$586	\$63.95	\$1.74	6
	Northwest KS	Portland, OR	\$4,727	\$608	\$52.98	\$1.44	5
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$685	\$54.47	\$1.48	6
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$627	\$53.50	\$1.46	5
	Champaign-Urbana, IL	New Orleans, LA	\$2,857	\$382	\$32.17	\$0.88	9
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$366	\$36.50	\$0.99	6
	Des Moines, IA	Amarillo, TX	\$3,430	\$299	\$37.03	\$1.01	5
	Minneapolis, MN	Tacoma, WA	\$4,800	\$679	\$54.41	\$1.48	5
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,200	\$703	\$48.69	\$1.33	6
	Sioux Falls, SD	Tacoma, WA	\$5,040	\$627	\$56.28	\$1.53	7
	Minneapolis, MN	Portland, OR	\$5,030	\$685	\$56.75	\$1.54	7
	Fargo, ND	Tacoma, WA	\$4,930	\$558	\$54.49	\$1.48	7
	Council Bluffs, IA	New Orleans, LA	\$3,710	\$441	\$41.22	\$1.12	8
	Toledo, OH	Huntsville, AL	\$2,672	\$301	\$29.53	\$0.80	7
Grand Island, NE	Portland, OR	\$5,115	\$622	\$56.97	\$1.55	14	

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	\$7,741	\$595	\$85.17	\$2.32	14
	OK	Cuautitlan, EM	\$6,747	\$623	\$75.30	\$2.05	10
	KS	Guadalajara, JA	\$7,411	\$908	\$85.00	\$2.31	10
	TX	Salinas Victoria, NL	\$3,703	\$253	\$40.42	\$1.10	15
Corn	IA	Guadalajara, JA	\$7,699	\$925	\$88.12	\$2.24	7
	SD	Penjamo, GJ	\$7,776	\$778	\$87.41	\$2.22	13
	NE	Queretaro, QA	\$7,048	\$799	\$80.18	\$2.03	10
	SD	Salinas Victoria, NL	\$5,650	\$592	\$63.77	\$1.62	9
	MO	Tlalnepantla, EM	\$6,263	\$778	\$71.94	\$1.83	12
	SD	Torreon, CU	\$6,522	\$652	\$73.30	\$1.86	9
Soybeans	MO	Bojay (Tula), HG	\$7,015	\$812	\$79.97	\$2.17	12
	NE	Guadalajara, JA	\$7,904	\$925	\$90.21	\$2.45	11
	IA	El Castillo, JA ⁵	\$8,255	\$774	\$92.25	\$2.51	13
	KS	Torreon, CU	\$6,421	\$633	\$72.08	\$1.96	12
Sorghum	OK	Cuautitlan, EM	\$5,670	\$591	\$63.97	\$1.62	10
	TX	Guadalajara, JA	\$6,653	\$507	\$73.15	\$1.86	12
	NE	Penjamo, GJ	\$7,426	\$864	\$84.71	\$2.15	15
	KS	Queretaro, QA	\$6,425	\$552	\$71.29	\$1.81	10
	NE	Salinas Victoria, NL	\$5,128	\$525	\$57.76	\$1.47	10
	NE	Torreon, CU	\$6,068	\$671	\$68.86	\$1.75	8

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

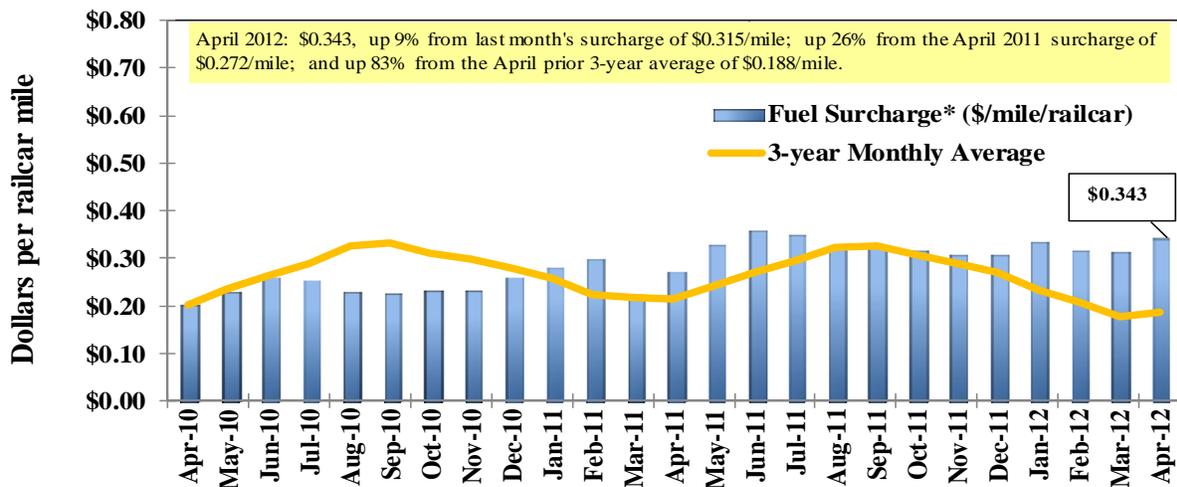
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

⁴Percentage change year over year calculated using tariff rate plus fuel surcharge

⁵Beginning 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 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.

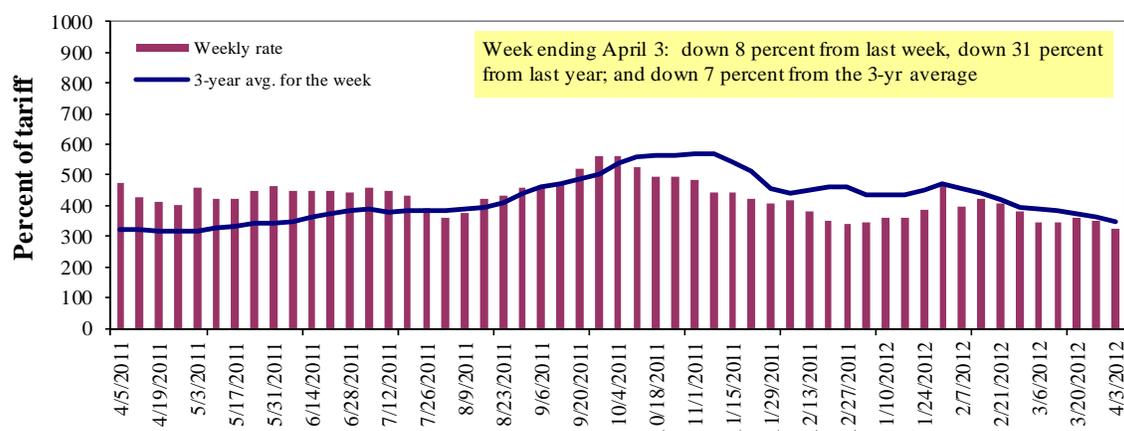
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

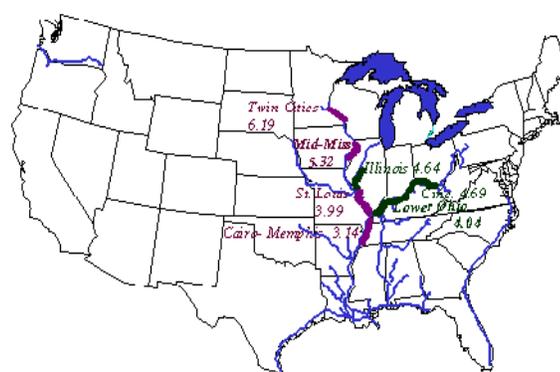
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid- Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo- Memphis
Rate¹	4/3/2012	428	367	325	238	285	285	212
	3/27/2012	425	371	353	251	302	302	220
\$/ton	4/3/2012	26.49	19.52	15.08	9.50	13.37	11.51	6.66
	3/27/2012	26.31	19.74	16.38	10.01	14.16	12.20	6.91
Current week % change from the same week:								
	Last year	-	-21	-31	-34	-42	-42	-36
	3-year avg. ²	32	33	-7	-12	-7	-7	-13
Rate¹	May	427	368	333	247	292	292	218
	July	432	373	348	277	308	308	237

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



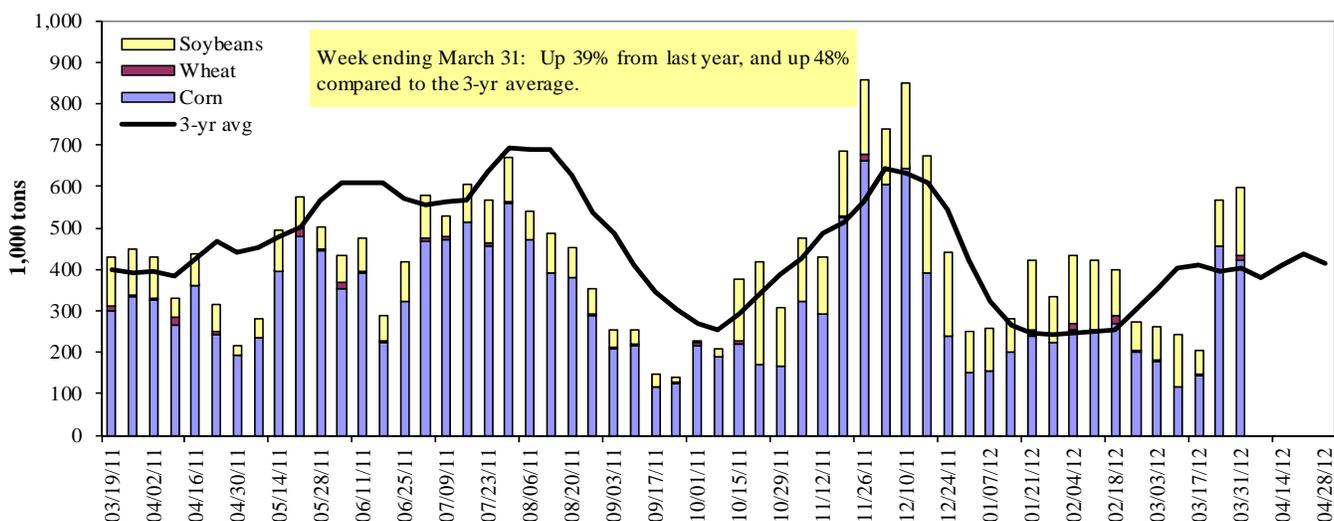
Calculating barge rate per ton:

(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 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 (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 3/31/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	80	0	20	0	100
Winfield, MO (L25)	195	11	130	0	335
Alton, IL (L26)	400	0	151	0	551
Granite City, IL (L27)	424	11	161	0	595
Illinois River (L8)	173	0	22	0	195
Ohio River (L52)	84	23	61	0	168
Arkansas River (L1)	0	14	13	6	32
Weekly total - 2012	508	47	235	6	796
Weekly total - 2011	460	48	169	13	691
2012 YTD ¹	4,596	413	3,101	92	8,201
2011 YTD	4,305	276	2,734	95	7,410
2012 as % of 2011 YTD	107	149	113	96	111
Last 4 weeks as % of 2011 ²	90	88	118	112	100
Total 2011	19,921	1,460	8,553	422	30,356

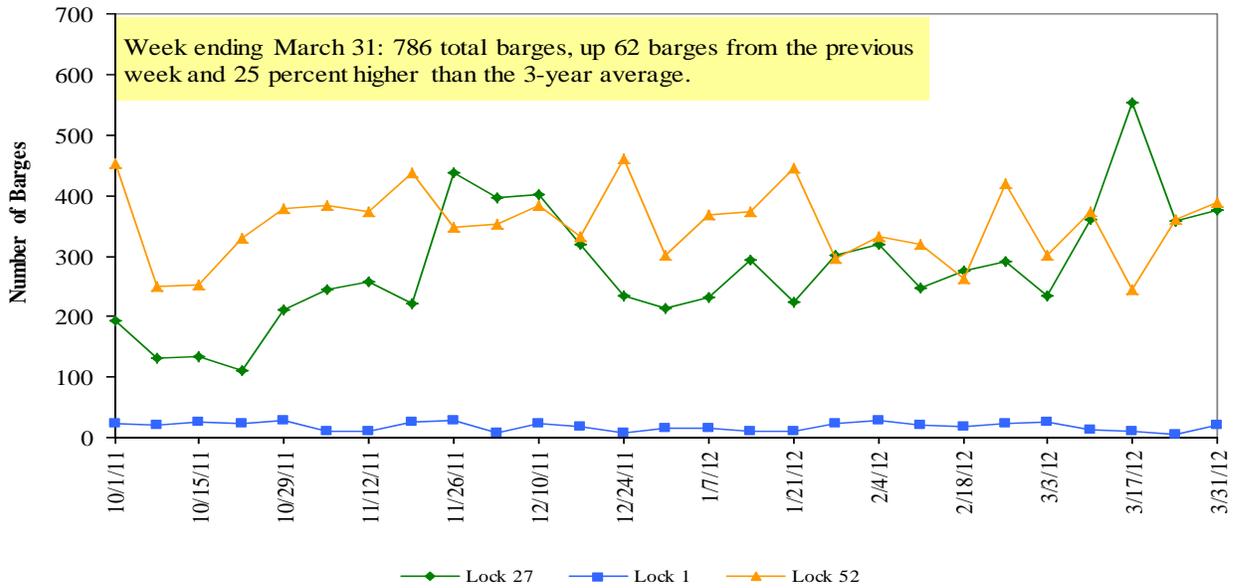
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

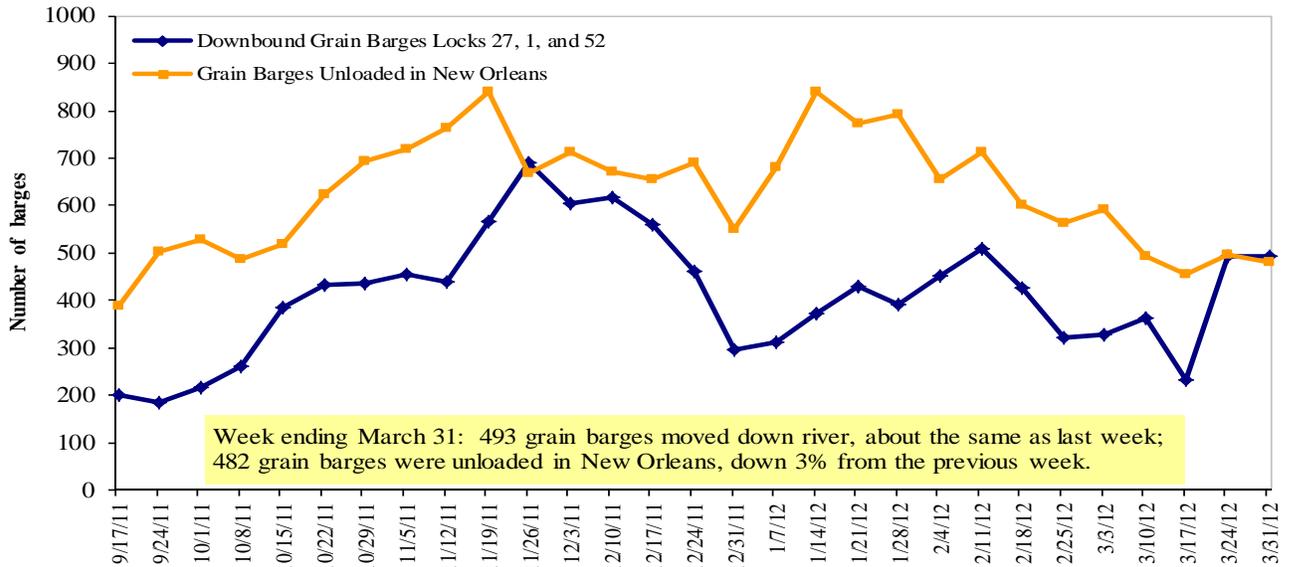
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

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



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 4/02/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.190	0.000	0.208
	New England	4.262	-0.001	0.153
	Central Atlantic	4.280	0.001	0.188
	Lower Atlantic	4.109	-0.001	0.186
II	Midwest ²	4.042	-0.004	0.110
III	Gulf Coast ³	4.049	-0.006	0.144
IV	Rocky Mountain	4.125	-0.011	0.108
V	West Coast	4.420	-0.013	0.211
	California	4.456	-0.020	0.133
Total	U.S.	4.142	-0.005	0.166

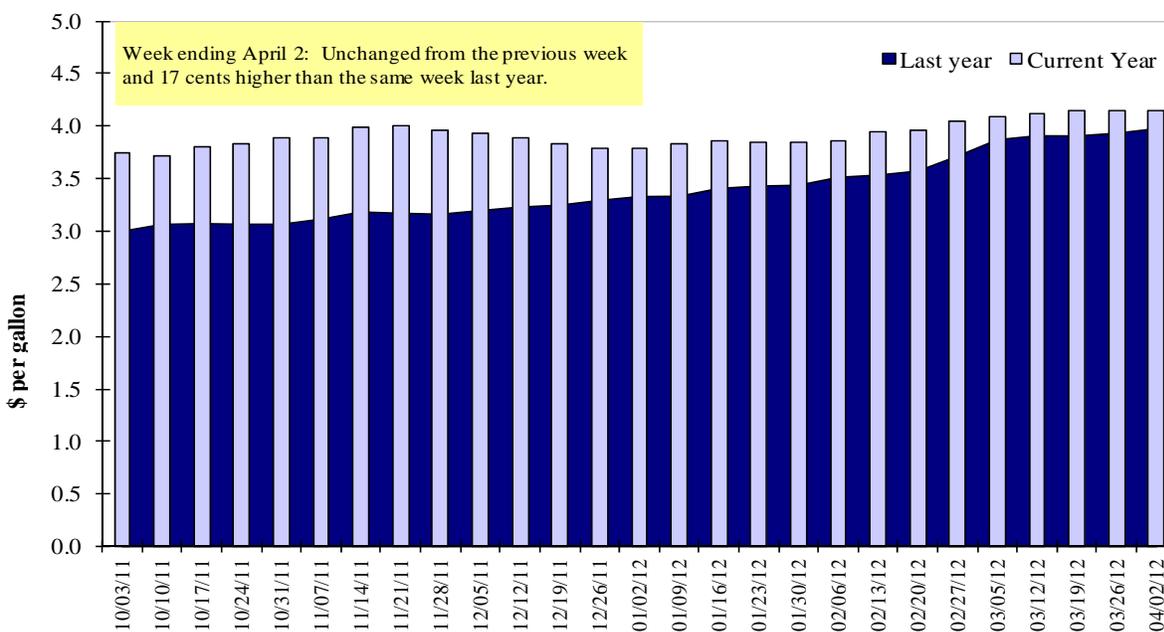
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
3/22/2012	1,222	834	1,028	1,337	55	4,475	9,919	5,044	19,438
This week year ago	3,558	833	2,116	1,256	140	7,903	13,857	6,139	27,899
Cumulative exports-marketing year²									
2011/12 YTD	8,003	2,901	5,300	4,348	388	20,939	23,209	26,269	70,417
2010/11 YTD	12,372	1,948	6,667	3,726	768	25,480	24,436	34,227	84,143
YTD 2011/12 as % of 2010/11	65	149	79	117	51	82	95	77	84
Last 4 wks as % of same period 2010/11	36	105	55	115	32	61	73	86	73
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385

¹ Current unshipped export sales to date

² Shipped export sales to date; the new marketing year is now in effect for com 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 03/22/12	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12 Current MY	2010/11 Last MY		
- 1,000 mt -				
Japan	9,258	11,050	(16)	14,279
Mexico	8,362	6,251	34	7,019
Korea	3,382	4,190	(19)	6,104
China*	3,803	314	1,112	978
Taiwan	1,320	1,955	(32)	2,393
Top 5 importers	26,124	23,759	10	30,772
Total US corn export sales	33,128	38,293	(13)	46,600
% of Projected	77%	82%		
Change from Last Week	131	1,915		
Top 5 importers' share of U.S. corn export sales	79%	62%		
USDA forecast, March 2012	43,180	46,600	(7)	
Corn Use for Ethanol USDA forecast, Ethanol March 2012	127,000	127,534	(0.4)	

(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.

*China -- New to the Top 5 in the 2011/12 Marketing Year, replacing Egypt.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 03/22/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12 Current MY	2010/11 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	20,620	25,153	(18)	24,445
Mexico	2,383	2,495	(4)	3,215
Japan	1,461	1,892	(23)	1,887
EU	829	2,599	(68)	2,607
Indonesia	1,080	1,090	(1)	1,397
Top 5 importers	26,374	33,228	(21)	33,551
Total US soybean export sales	31,313	40,367	(22)	40,860
% of Projected	90%	99%		
Change from last week	472	145		
Top 5 importers' share of U.S. soybean export sales	84%	82%		
USDA forecast, March 2012	34,700	40,860	(15)	
Soybean Use for Biodiesel USDA forecast, March 2012	8,632	6,115	41	

(n) indicates negative number.

¹Based on FAS 2008/09 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.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 03/22/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2010/11
	2011/12 Current MY	2010/11 Last MY		
	- 1,000 mt -			- 1,000 mt -
Nigeria	2,991	3,358	(11)	3,233
Japan	3,453	3,523	(2)	3,148
Mexico	3,301	2,593	27	2,601
Philippines	1,976	1,872	6	1,518
Korea	1,900	1,616	18	1,111
Peru	571	960	(41)	923
Taiwan	828	872	(5)	913
Colombia	448	804	(44)	783
Indonesia	736	676	9	781
Yemen	417	669	(38)	659
Top 10 importers	16,621	16,943	(2)	15,670
Total US wheat export sales	25,413	33,382	(24)	35,080
% of Projected	93%	95%		
Change from last week	226	272		
Top 10 importers' share of U.S. wheat export sales	65%	51%		
USDA forecast, March 2012	27,220	35,080	(22)	

(n) indicates negative number.

¹Modified from the FAS 2010/11 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.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 03/29/12	Previous Week ¹	Current Week as % of Previous	2012 YTD ¹	2011 YTD ¹	2012 YTD as % of 2011 YTD	Last 4-weeks as % of		Total ¹ 2011
							2011	3-yr. avg.	
Pacific Northwest									
Wheat	110	224	49	3,247	3,254	100	105	135	13,995
Corn	238	117	204	1,549	1,874	83	88	86	9,198
Soybeans	261	255	103	3,232	2,587	125	133	108	7,321
Total	609	596	102	8,027	7,715	104	109	111	30,513
Mississippi Gulf									
Wheat	133	141	95	1,436	1,371	105	112	131	5,031
Corn	357	283	126	5,834	6,732	87	64	61	26,267
Soybeans	359	289	124	6,931	8,162	85	78	92	19,262
Total	850	712	119	14,200	16,265	87	75	79	50,560
Texas Gulf									
Wheat	131	38	343	1,243	3,814	33	34	54	10,837
Corn	23	58	39	172	391	44	55	57	1,021
Soybeans	0	0	n/a	0	760	0	0	0	926
Total	153	96	160	1,415	4,965	28	34	51	12,784
Interior									
Wheat	37	16	232	267	357	75	97	130	1,110
Corn	171	173	99	2,222	1,555	143	73	130	7,509
Soybeans	98	69	141	1,108	1,068	104	76	76	4,273
Total	305	258	118	3,597	2,980	121	82	111	12,892
Great Lakes									
Wheat	9	0	n/a	9	16	57	98	289	1,038
Corn	0	0	n/a	14	0	n/a	n/a	0	178
Soybeans	0	0	0	1	0	n/a	n/a	0	382
Total	9	0	1,811	25	16	157	109	323	1,598
Atlantic									
Wheat	0	0	n/a	2	328	0	0	0	686
Corn	0	0	n/a	50	79	63	54	70	295
Soybeans	8	78	10	398	347	115	188	162	1,042
Total	8	78	10	449	754	60	97	94	2,022
U.S. total from ports²									
Wheat	419	419	100	6,203	9,139	68	73	101	32,697
Corn	789	630	125	9,840	10,632	93	76	75	44,466
Soybeans	726	691	105	11,670	12,925	90	87	95	33,205
Total	1,934	1,740	111	27,713	32,696	85	79	88	110,369

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

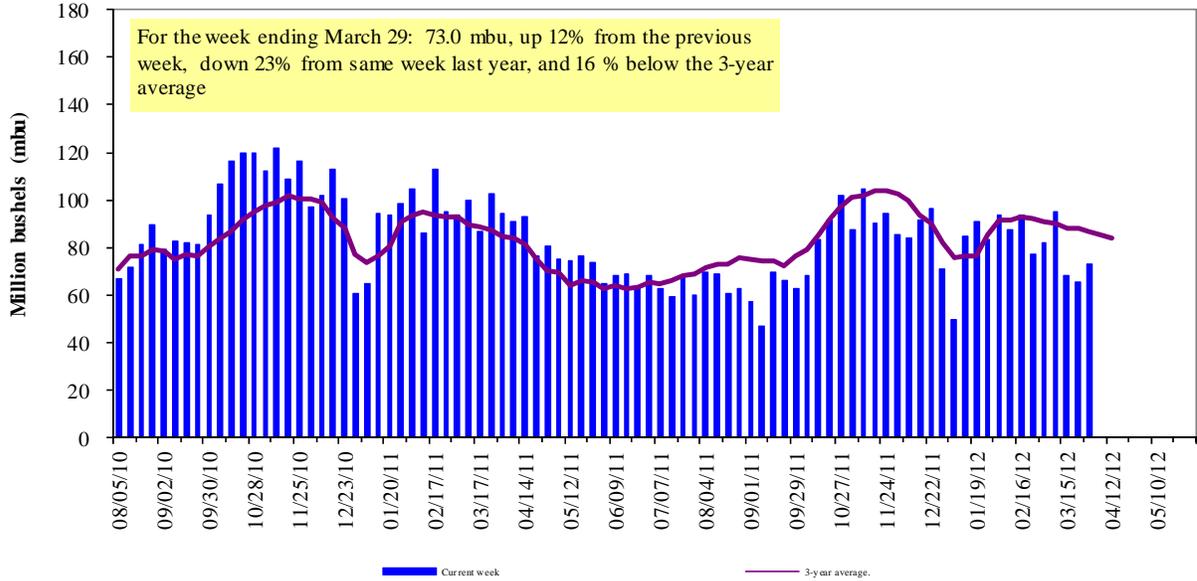
² Total includes only port regions shown above; Interior land-based shipments now included.

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 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2011.

Figure 14

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

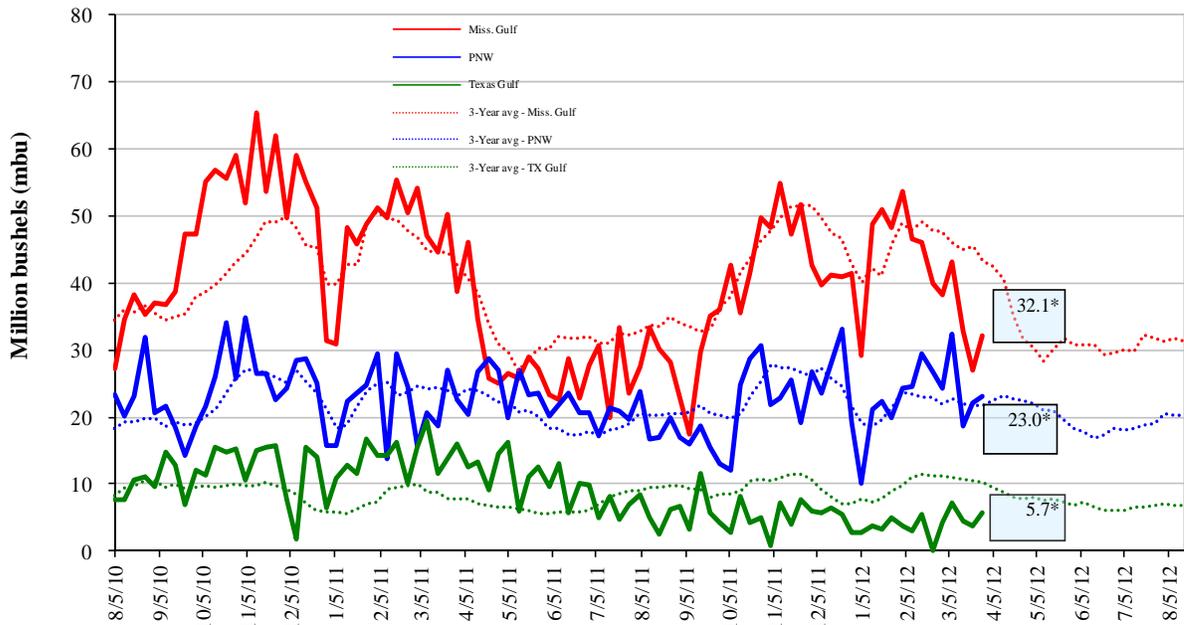


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

March 29 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 19	up 55	up 24	up 4
Last year (same week)	down 17	down 64	down 31	up 1.4
3-yr avg. (4-wk mov. avg.)	down 26	down 44	down 29	down 2

Ocean Transportation

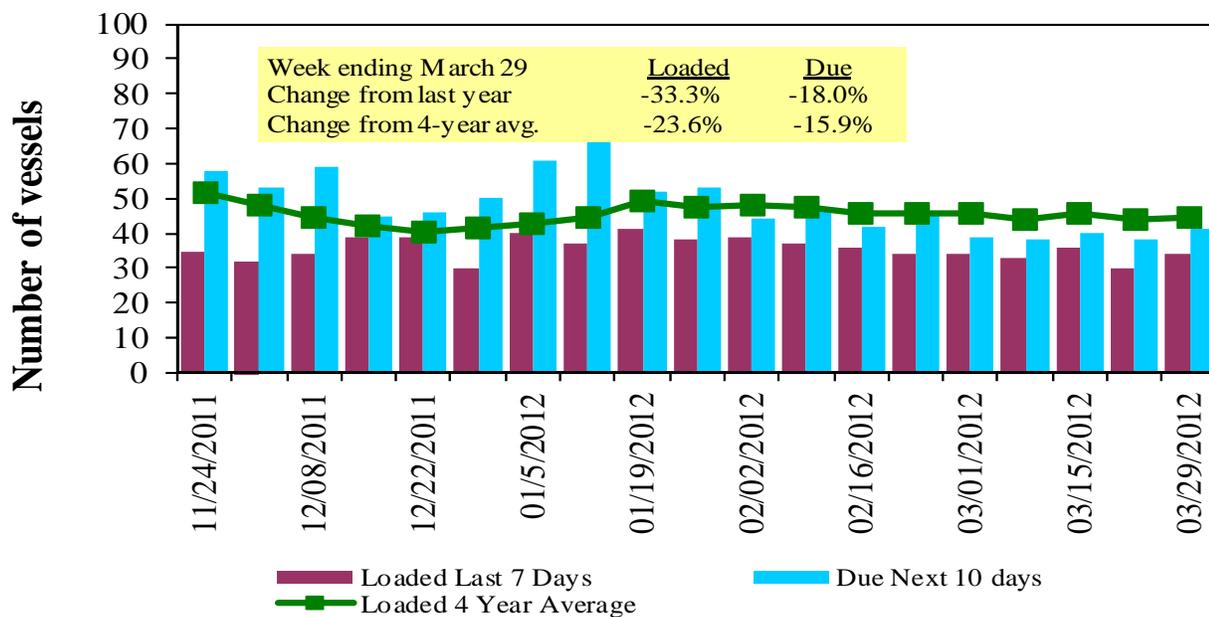
Table 17

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
3/29/2012	17	34	41	11	n/a
3/22/2012	26	30	38	11	n/a
2011 range	(14..65)	(28..54)	(34..83)	(5..25)	(1..20)
2011 avg.	31	38	53	15	12

Source: Transportation & Marketing Programs/AMS/USDA

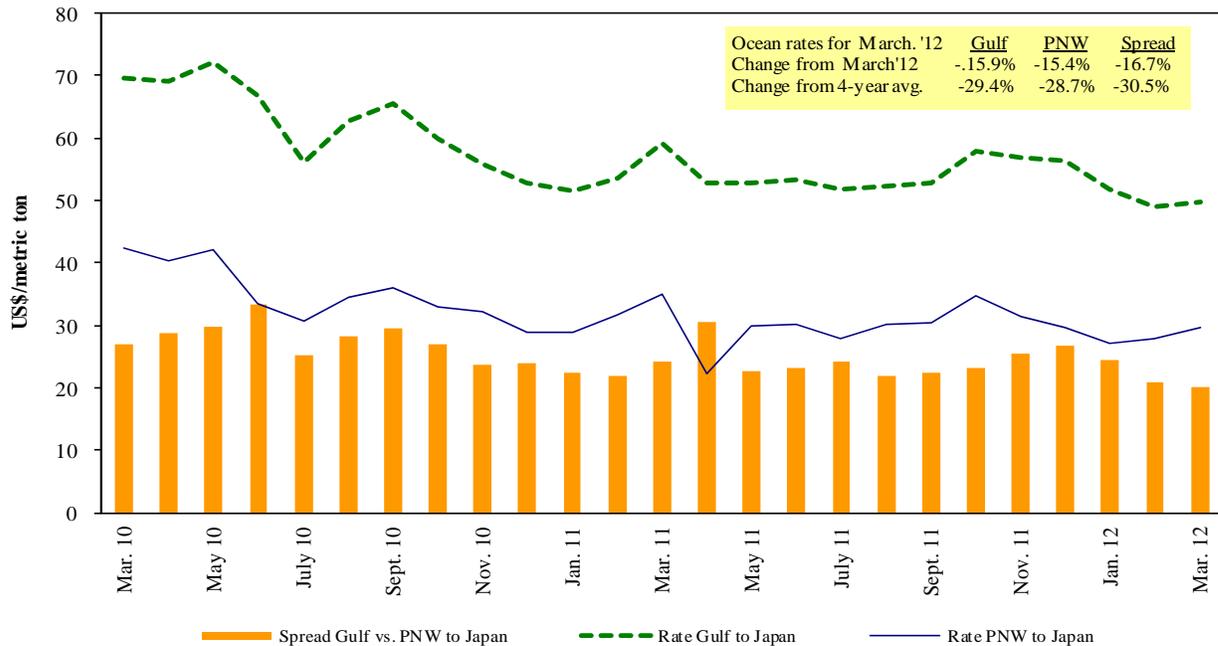
Figure 16
U.S. Gulf^d Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 3/31/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Mar 1/10	50,000	46.65
U.S. Gulf	Korea	Heavy Grain	Mar 1/10	55,000	46.00
U.S. Gulf	Japan	Heavy Grain	Apr 1/10	58,000	46.00
U.S. Gulf	Turkey	Heavy Grain	Feb 25/28	50,000	25.00
U.S. Gulf	Kenya ¹	Wheat	Jan 16/25	11,000	188.00
PNW	China	Grain	Jan 10/20	55,000	26.75
St. Lawrence	Nigeria	Wheat	Apr 5/15	25,000	45.00
Argentina	Morocco	Barley	Apr 1/10	25,000	39.75
Australia	Vietnam	Grain	Mar 1/10	60,000	19.00
Brazil	Tunisia	Wheat	Feb 14/16	23,750	38.50
Brazil	Taiwan	Heavy Grain	Feb 1/10	65,000	29.50
Brazil	China	Heavy Grain	May 1/30	66,000	40.50
Brazil	China	Heavy Grain	Apr 1/10	60,000	47.75
Brazil	China	Heavy Grain	Mar 5/15	60,000	43.00
Brazil	China	Heavy Grain	Mar 1/10	60,000	44.75
Brazil	China	Grain	Mar 1/10	55,000	47.00
River Plate	China	Heavy Grain	Feb 20/25	60,000	45.00
River Plate	Egypt Med	Corn	Feb 25/ Mar 5	30,000	39.25
River Plate	Morocco	Corn	Mar 25/30	25,000	35.00
Ukraine	Japan	Corn	Apr 6/15	47,000	47.50

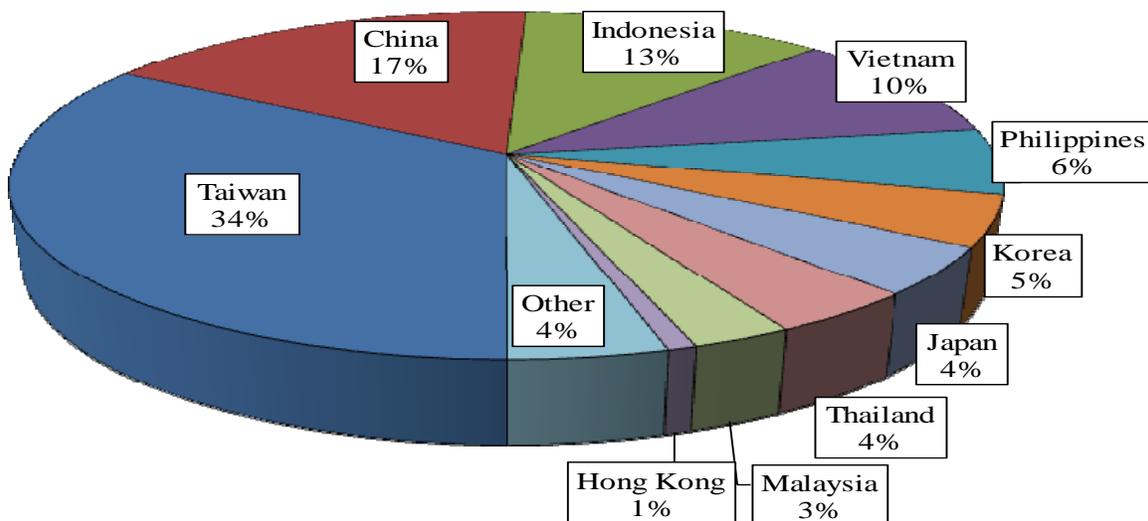
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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

In 2010, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 7 percent of U.S. grain exports to Asia. Asia is the top destination for U.S. containerized grain exports—94 percent in 2010.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2011

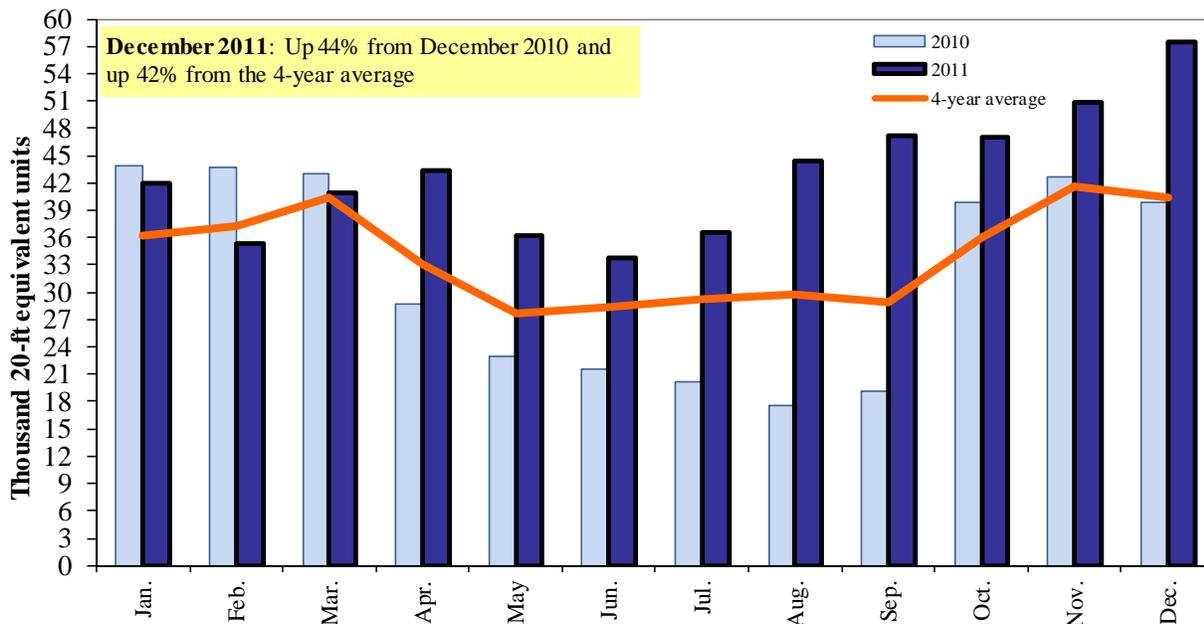


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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