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May 3, 2012

WEEKLY HIGHLIGHTS

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The next
release is
May 10, 2012More than Half of Corn Crop Planted Before May

As of April 30, farmers in the top 18 corn producing States have planted 53 percent of their corn crop, nearly double the 2007-11 average of 27 percent at this time of year. Illinois farmers have planted 79 percent of their corn crop, compared to the 5-year average of 29 percent. Iowa farmers have 50 percent of their corn crop in the ground, compared to a 32 percent average. In addition, eight other major corn producing States have planted 50 percent or more of their corn. Favorable planting weather has permitted an early planting pace. While not in the top 18 States, Louisiana, Arkansas and Mississippi have 96 percent or more of their corn planted. These States are the earliest maturing source for new crop exports that are traditionally shipped through the Mississippi River ports.

Soybean Inspections Rebound

For the week ending April 26, total inspections of soybeans (.421 mmt) for export increased 22 percent after a two week decline. Soybean shipments increased primarily to Mexico. Additionally, outstanding (unshipped) export sales of soybeans for the week ending April 19 were up 12 percent from the previous week. Total inspections of grain (wheat, corn, and soybeans) for export, however, dropped 12 percent from the past week to 1.60 mmt, as corn (.634 mmt) and wheat (.540 mmt) inspections decreased 20 and 21 percent. Corn shipments dropped to Asia and the Middle East, and wheat shipments to Mexico and Egypt decreased from the past week.

Panama Canal Authority Proposes Modification of Tolls Structure

On April 18, the Board of Directors of the Panama Canal Authority (ACP) proposed a modification of the Canal tolls structure to align toll charges with the value provided by the route. The proposal also seeks to redefine some market segments and adjusts the tolls for smaller vessels (minimum tolls). The proposal splits the tanker segment into three; creates a new container/break bulk segment; and incorporates roll on, roll off vessels (ro-ro) into the vehicle carrier segment. Under the new proposal, the number of vessel segments will increase from eight to eleven: full container, container/break bulk, reefer, dry bulk, passenger, vehicle carrier and ro-ro, tanker, chemical tanker, liquefied petroleum gas, general cargo, and others. The new tolls will be effective July 1. ACP will hold a public hearing on the proposal on May 23 in Panama City, and will also consider all correspondence received by 4:15 pm (local time), May 21. For more details see: <http://www.panacanal.com/peajes/>

Fuel Prices Fall on Expectations of Lower Consumption

During the week ending April 30, U.S. average **diesel fuel prices** decreased 1 cent to \$4.07 per gallon—5 cents lower than the same week last year. Over the past 3 weeks, average diesel fuel prices have decreased 7 cents per gallon after an 11-week run of increases totaling 30 cents per gallon. Reports that U.S. fuel consumption is forecast to be lower than expected during this year's peak summer driving season has resulted in lower crude oil and fuel prices. However, the Energy Information Administration reports diesel fuel prices will increase this summer, but not as much as expected. "Diesel fuel prices, which averaged \$3.94 per gallon last summer, are projected to average \$4.21 per gallon this summer, with monthly prices peaking at \$4.25 per gallon in the middle of the driving season.

Snapshots by Sector

Rail

U.S. railroads originated 19,995 **carloads of grain** during the week ending April 21, up 2 percent from last week, down 18 percent from last year, and 7 percent lower than the 3-year average.

During the week ending April 26, average May non-shuttle **secondary railcar bids/offers per car** were \$5 below tariff, \$14 lower than last year. Average shuttle bids/offers were \$329 below tariff, down \$82 from last week and \$133.50 higher than last year.

Ocean

During the week ending April 26, 27 **ocean-going grain vessels** were loaded in the Gulf, down 18 percent from the same period last year. Thirty-four vessels are expected to be loaded within the next 10 days, 28 percent less than the same period last year.

During the week ending April 27, the **ocean freight rate** for shipping bulk grain from the Gulf to Japan was \$54 per mt, up 1 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$30.50 per mt, 2 percent more than the previous week.

Feature Article/Calendar

Ocean Freight Rates Lowered by Inclement Weather and Sluggish Demand

Ocean freight rates for shipping bulk commodities declined during the first quarter of 2012 because of slow demand for bulk shipments, partially caused by bad weather in Australia and Brazil. Ocean freight rates for shipping bulk grains from the U.S. Gulf (Gulf) to Japan averaged \$50.18 per metric ton (mt)—down 12 percent from the fourth quarter, 2011, and 8 percent from the same quarter a year ago (see table and figure). The rates from the Pacific Northwest (PNW) to Japan averaged \$28.28 per mt—down 12 percent from the previous quarter and 11 percent from the same quarter last year. The cost of shipping a metric ton of bulk grain from the Gulf to Europe was \$19.91 during the quarter—21 and 14 percent less than the previous quarter and a year earlier, respectively. The spread between the Gulf-to-Japan and PNW-to-Japan rates, at \$21.90 per mt, was 13 percent less than the previous quarter and 4 percent less than a year ago. The rates and the spread were significantly lower than their 4-year averages. Typically, the lower the spread, the more favorable are the shipments from the Gulf ports.

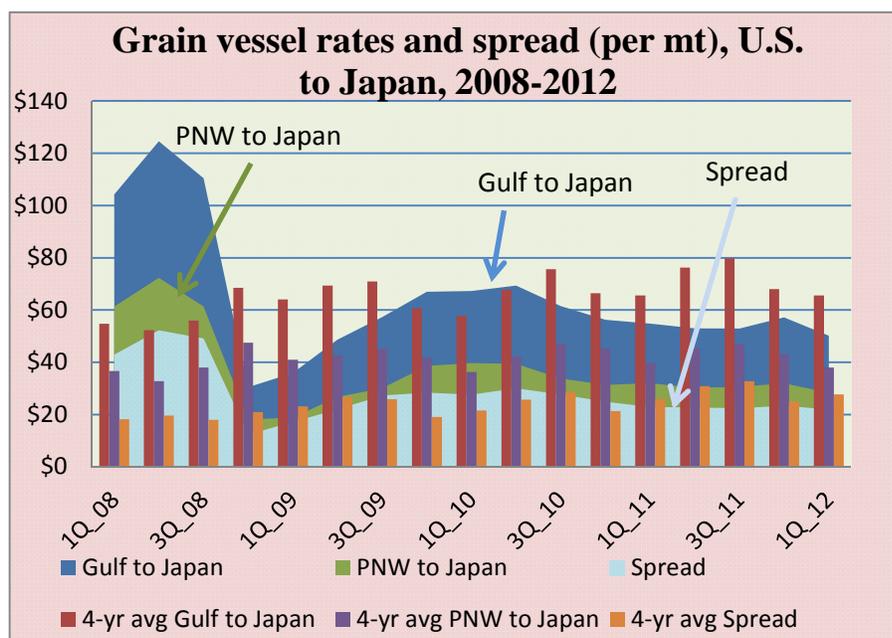
Ocean freight rates for grain routes during first quarter 2012							
Route	Jan.	Feb.	Mar.	1 st quarter 2012	Change from		
					4 th qtr '11	1 st qtr '11	4-yr avg
	--\$/mt--			--\$/mt--	Percent		
U.S. Gulf to Japan	51.75	49.00	49.80	50.18	-12.2	-8	-23
PNW to Japan	27.25	28.00	29.60	28.28	-11.5	-11	-25
U.S. Gulf to Europe	20.13	19.50	20.10	19.91	-21	-14	-41
Spread	24.50	21.00	20.20	21.90	-13	-4	-21

Source: O'Neil Commodity Consulting

The rates started to decline during December and continued through February. Besides the holidays around the world during December and January, weather-related events in some parts of the world reduced bulk shipments and freight rates. Ocean freight rates fell for both large and small bulk vessels during the period. Some of the events that affected the bulk trade and their timing are listed below:

January

- Some ports (including Dampier, Port Hedland, and Cape Lambert) in Western Australia were closed due to Cyclone Heidi—affecting 94 percent of Australia's iron ore exports.
- Heavy rainfall in Brazil hampered iron ore production during the month.
- Chinese New Year celebration and large stockpiles of iron ore at Chinese ports led to reduced imports of iron ore.



- Despite an increase in demolition of some old vessels because of the weak freight market, orders of new vessels increased due to owners' optimism.

February

- Inclement weather continued to disrupt iron trade from Brazil and Australia.
- Brazilian iron ore exports declined by as much as 45 percent in February.
- 40 vessels (3.9 million deadweight (mdwt)) were ordered in February, compared to 33 vessels (2.0 mdwt) in January; owners were encouraged by newbuilding prices and optimism.
- Uncertainty about India's annual budget, which can affect steel prices, encouraged owners to hold back on scrapping of older vessels.

March

- Bulk trades and ocean freight rates improved slightly during March.
- Higher coal exports from Indonesia and grains from South America led to increased demand for small bulkers.
- Higher fertilizer demand from Australia.
- India scrapped taxes on thermal coal imports in anticipation of an increase in power generation demand, which boosted the demand for Panamax and Supramax vessels.

Market outlook: Outlook for freight rates remains mixed as vessel supply outpaces demand but global grain trade is projected to rise. As of April 27, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$54 per mt. The rate from the PNW to Japan was \$30.50 per mt and the rate from the Gulf to Europe was \$22 per mt. The Gulf rate was 6 percent higher than the same period last year, the PNW rate was 2 percent higher, and the rate from the Gulf to Europe was 5 percent higher, but rates were still lower than their 4-year averages. Although bulk vessel supply is currently outpacing the demand, there are some signals that the freight market may improve in the short term. For example, the International Grains Council forecast the global grain trade to be almost 6 percent higher in the present crop year than last year. India's reduction of inland railway freight for iron ore intended for exports is expected to boost the demand for bulk vessels. India's removal of taxes on thermal coal imports is expected to increase its coal imports by 70–80 million tons during 2012-2013. However, wheat exports from the United States and European Union are expected to decline due to greater competition in the grain market. A proposed 25 percent export tax on coal by the Indonesian government is expected to reduce Indonesia's coal exports. Overall, it appears that the freight market will likely fluctuate up and down, but remain moderate for a long period while the market dynamics work themselves out.

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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
05/02/12	273	227	191	187	242	216
04/25/12	274	226	192	179	239	213

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)

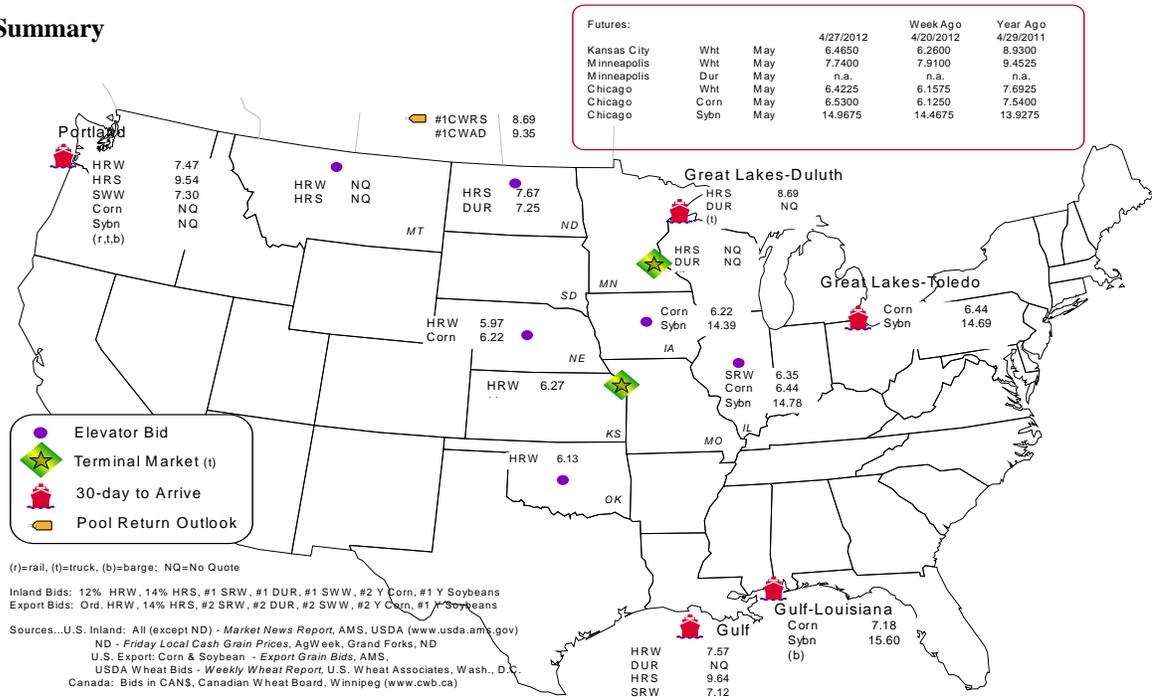
Commodity	Origin--Destination	4/27/2012	4/20/2012
Corn	IL--Gulf	-0.74	-0.63
Corn	NE--Gulf	-0.96	-1.26
Soybean	IA--Gulf	-1.21	-1.16
HRW	KS--Gulf	-1.30	-1.37
HRS	ND--Portland	-1.87	-1.86

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	
4/25/2012 ^p	52	434	1,039	1,927	377	3,829
4/18/2012 ^r	0	657	1,577	2,014	348	4,596
2012 YTD	3,540	11,453	20,769	49,102	8,148	93,012
2011 YTD	17,344	39,473	14,062	68,012	12,208	151,099
2012 YTD as % of 2011 YTD	20	29	148	72	67	62
Last 4 weeks as % of 2011 ²	14	21	111	58	64	53
Last 4 weeks as % of 4-year avg. ²	14	33	149	54	74	59
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.

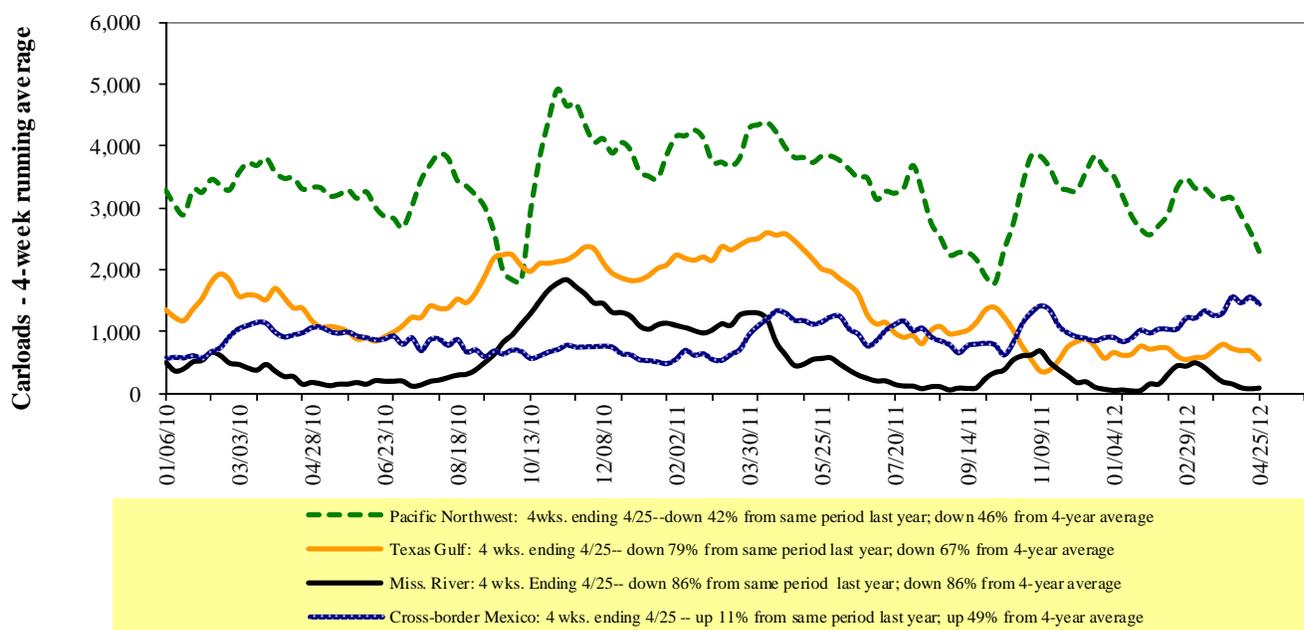
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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

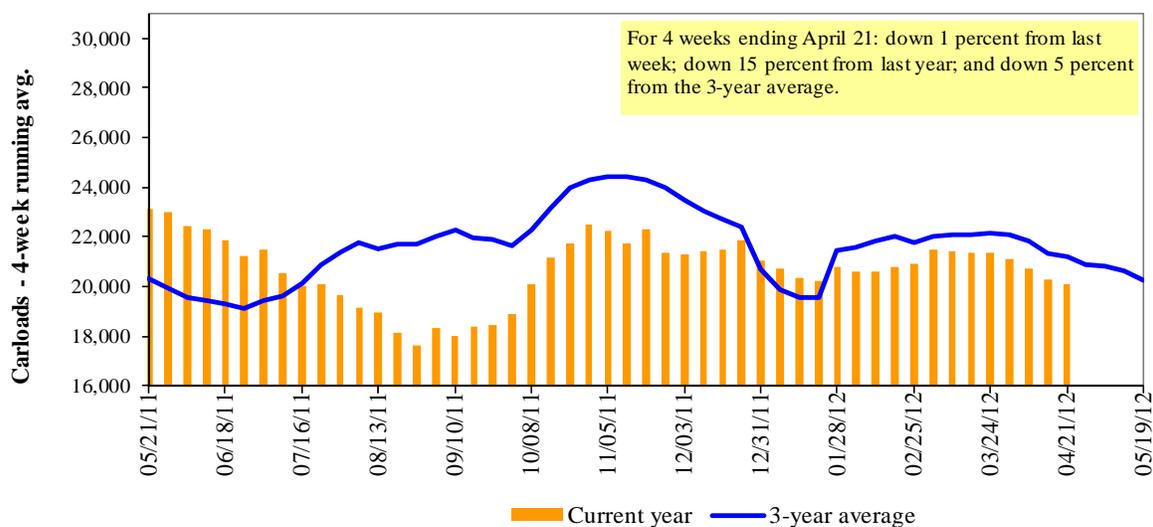
Table 4

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
04/21/12	1,843	2,913	9,976	579	4,684	19,995	4,582	5,574
This week last year	2,129	2,877	11,847	687	6,744	24,284	3,872	4,408
2012 YTD	33,911	45,567	163,893	7,704	81,633	332,708	62,944	81,784
2011 YTD	34,625	47,953	183,371	9,869	100,153	375,971	64,669	73,511
2012 YTD as % of 2011 YTD	98	95	89	78	82	88	97	111
Last 4 weeks as % of 2011 ¹	88	91	88	62	78	85	101	107
Last 4 weeks as % of 3-yr avg. ¹	91	94	103	63	94	97	109	95
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															
	May-12		May-11		Jun-12		Jun-11		Jul-12		Jul-11		Aug-12		Aug-11	
BNSF ³																
COT grain units	2	no offer	0	3	0	9	0	9	0	no offer	0	no offer	0	no offer	0	no offer
COT grain single-car ⁵	0	no offer	0..5	3..26	0..5	4..5	0..5	4..5	0..3	no offer	0..3	no offer	0..3	no offer	0..3	no offer
UP ⁴																
GCAS/Region 1	6	no bids	no bids	no bids	no bids	no bids	no bids	no bids	no bids	no bids	no bids	n/a	n/a	n/a	n/a	n/a
GCAS/Region 2	1	no bids	1	no bids	1	no bids	1	no bids	1	no bids	1	no bids	n/a	n/a	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.

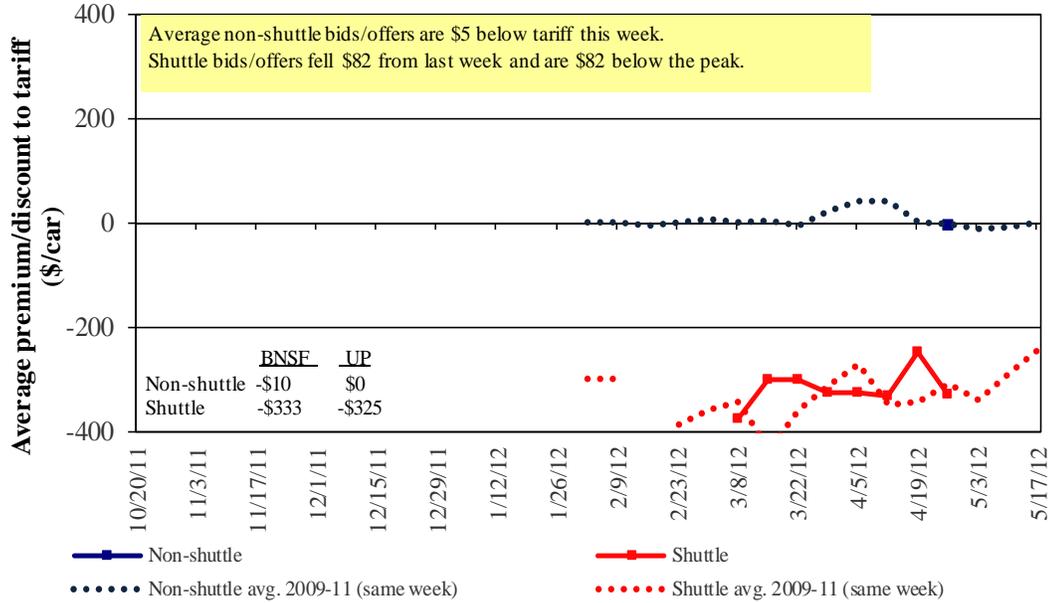
⁵Range is shown because average is not available. Not available = n/a.

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 May 2012, Secondary Market

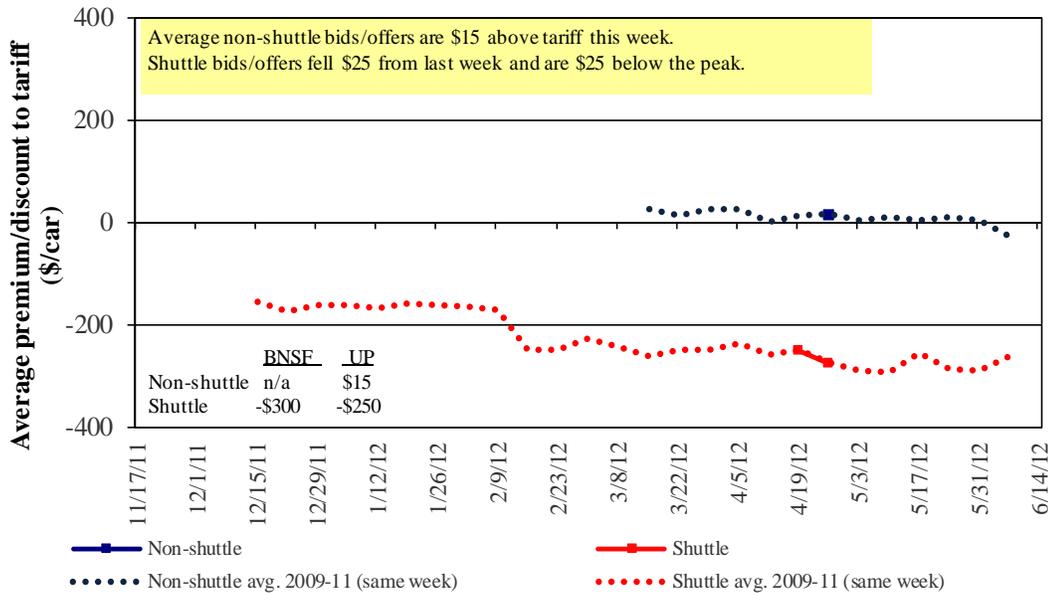


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

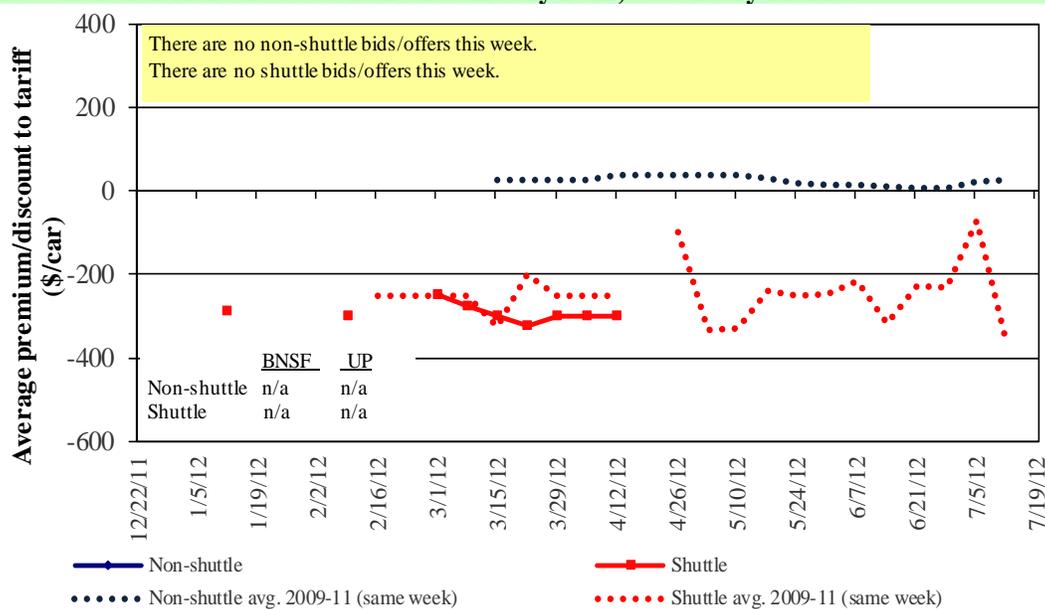


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in July 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					
	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-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	n/a
Change from same week 2011	(41)	n/a	n/a	n/a	n/a	n/a
UP-Pool	-	15	n/a	n/a	n/a	93
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	13	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(333)	(300)	n/a	n/a	(100)	500
Change from last week	(89)	n/a	n/a	n/a	100	300
Change from same week 2011	142	n/a	n/a	n/a	n/a	n/a
UP-Pool	(325)	(250)	n/a	n/a	n/a	500
Change from last week	(75)	-	n/a	n/a	n/a	25
Change from same week 2011	125	100	n/a	n/a	n/a	(150)

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
5/1/2012	Origin region*	Destination region*	rate/car	surcharge per car	metric ton	bushe ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$2,992	\$207	\$31.77	\$0.86	4
	Grand Forks, ND	Duluth-Superior, MN	\$3,260	\$122	\$33.59	\$0.91	15
	Wichita, KS	Los Angeles, CA	\$5,895	\$627	\$64.77	\$1.76	4
	Wichita, KS	New Orleans, LA	\$3,492	\$365	\$38.30	\$1.04	4
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$515	\$60.46	\$1.65	4
	Northwest KS	Galveston-Houston, TX	\$3,760	\$400	\$41.31	\$1.12	4
	Amarillo, TX	Los Angeles, CA	\$3,959	\$556	\$44.84	\$1.22	4
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,038	\$412	\$34.26	\$0.93	8
	Toledo, OH	Raleigh, NC	\$4,382	\$468	\$48.16	\$1.31	16
	Des Moines, IA	Davenport, IA	\$1,934	\$87	\$20.07	\$0.55	5
	Indianapolis, IN	Atlanta, GA	\$3,821	\$351	\$41.43	\$1.13	19
	Indianapolis, IN	Knoxville, TN	\$3,273	\$225	\$34.74	\$0.95	18
	Des Moines, IA	Little Rock, AR	\$3,074	\$257	\$33.08	\$0.90	5
	Des Moines, IA	Los Angeles, CA	\$4,985	\$747	\$56.93	\$1.55	14
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,314	\$454	\$37.42	\$1.02	4
	Toledo, OH	Huntsville, AL	\$3,497	\$332	\$38.02	\$1.03	19
	Indianapolis, IN	Raleigh, NC	\$4,453	\$471	\$48.90	\$1.33	16
	Indianapolis, IN	Huntsville, AL	\$3,189	\$225	\$33.90	\$0.92	21
	Champaign-Urbana, IL	New Orleans, LA	\$3,382	\$412	\$37.68	\$1.03	8
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,351	\$361	\$36.86	\$1.00	4
	Wichita, KS	Galveston-Houston, TX	\$3,247	\$281	\$35.03	\$0.95	4
	Chicago, IL	Albany, NY	\$3,645	\$438	\$40.55	\$1.10	5
	Grand Forks, ND	Portland, OR	\$4,832	\$623	\$54.17	\$1.47	4
	Grand Forks, ND	Galveston-Houston, TX	\$5,854	\$649	\$64.58	\$1.76	5
	Northwest KS	Portland, OR	\$4,727	\$656	\$53.45	\$1.45	3
	Corn	Minneapolis, MN	Portland, OR	\$4,800	\$759	\$55.20	\$1.50
Sioux Falls, SD		Tacoma, WA	\$4,760	\$695	\$54.17	\$1.47	4
Champaign-Urbana, IL		New Orleans, LA	\$2,857	\$412	\$32.47	\$0.88	7
Lincoln, NE		Galveston-Houston, TX	\$3,310	\$405	\$36.89	\$1.00	5
Des Moines, IA		Amarillo, TX	\$3,430	\$323	\$37.27	\$1.01	4
Minneapolis, MN		Tacoma, WA	\$4,800	\$753	\$55.14	\$1.50	4
Council Bluffs, IA		Stockton, CA	\$4,200	\$779	\$49.44	\$1.35	5
Soybeans	Sioux Falls, SD	Tacoma, WA	\$5,040	\$695	\$56.95	\$1.55	5
	Minneapolis, MN	Portland, OR	\$5,030	\$759	\$57.49	\$1.56	5
	Fargo, ND	Tacoma, WA	\$4,930	\$618	\$55.09	\$1.50	5
	Council Bluffs, IA	New Orleans, LA	\$3,710	\$476	\$41.57	\$1.13	6
	Toledo, OH	Huntsville, AL	\$2,672	\$332	\$29.83	\$0.81	6
	Grand Island, NE	Portland, OR	\$5,115	\$671	\$57.46	\$1.56	13

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	\$659	\$85.83	\$2.33	13
	OK	Cuautitlan, EM	\$6,747	\$801	\$77.12	\$2.10	11
	KS	Guadalajara, JA	\$7,411	\$774	\$83.63	\$2.27	7
	TX	Salinas Victoria, NL	\$3,703	\$302	\$40.92	\$1.11	14
Corn	IA	Guadalajara, JA	\$7,699	\$910	\$87.96	\$2.23	3
	SD	Penjamo, GJ	\$7,776	\$863	\$88.27	\$2.24	8
	NE	Queretaro, QA	\$7,073	\$808	\$80.53	\$2.04	7
	SD	Salinas Victoria, NL	\$5,650	\$656	\$64.43	\$1.63	6
	MO	Tlalnepantla, EM	\$6,502	\$785	\$74.45	\$1.89	12
	SD	Torreon, CU	\$6,522	\$722	\$74.02	\$1.88	5
Soybeans	MO	Bojay (Tula), HG	\$7,015	\$768	\$79.51	\$2.16	4
	NE	Guadalajara, JA	\$7,904	\$878	\$89.73	\$2.44	5
	IA	El Castillo, JA ⁵	\$8,255	\$857	\$93.11	\$2.53	7
	KS	Torreon, CU	\$6,421	\$544	\$71.17	\$1.94	5
Sorghum	OK	Cuautitlan, EM	\$5,670	\$655	\$64.62	\$1.64	7
	TX	Guadalajara, JA	\$6,653	\$561	\$73.71	\$1.87	6
	NE	Penjamo, GJ	\$7,426	\$783	\$83.88	\$2.13	7
	KS	Queretaro, QA	\$6,425	\$492	\$70.67	\$1.79	5
	NE	Salinas Victoria, NL	\$5,128	\$576	\$58.28	\$1.48	7
	NE	Torreon, CU	\$6,068	\$643	\$68.57	\$1.74	4

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

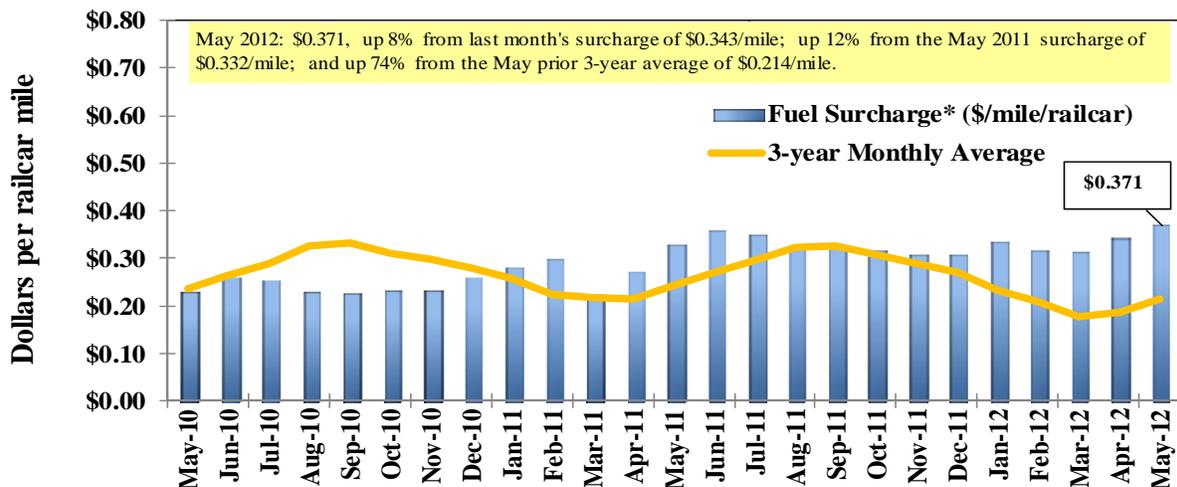
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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.

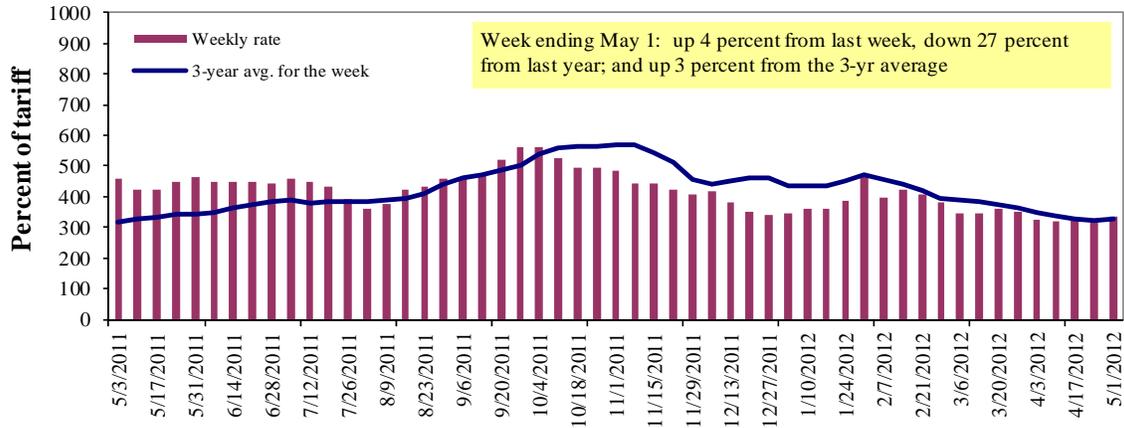
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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	5/1/2012	427	358	337	242	285	285	212
	4/24/2012	423	350	328	237	287	287	207
\$/ton	5/1/2012	26.43	19.05	15.64	9.66	13.37	11.51	6.66
	4/24/2012	26.18	18.62	15.22	9.46	13.46	11.59	6.50
Current week % change from the same week:								
	Last year	-	-	-27	-26	-26	-26	-
	3-year avg. ²	-	-	3	2	14	14	-
Rate¹	June	432	363	348	250	297	297	228
	August	467	432	437	383	455	455	385

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

Source: Transportation & Marketing Programs/AMS/USDA

- no rates due to 2011 flooding

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

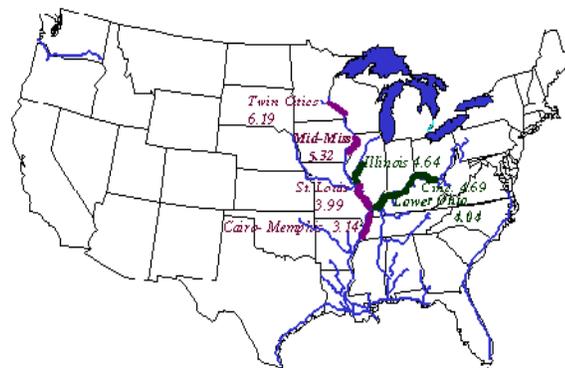
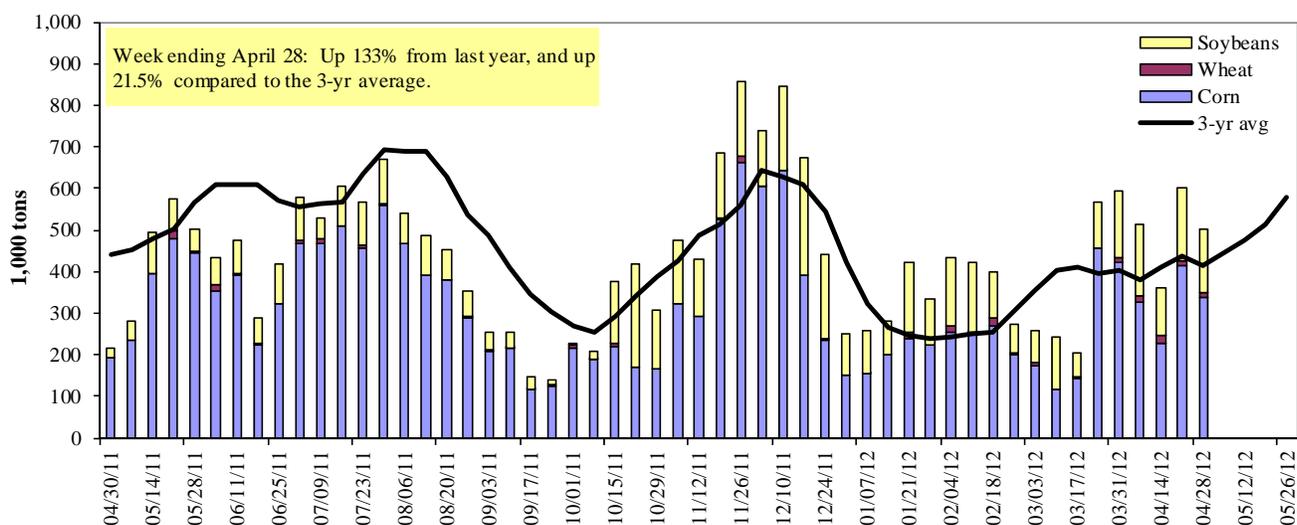


Figure 10

Barge Movements on the Mississippi 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/mvrini/omni/webprts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 4/28/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	197	6	43	0	246
Winfield, MO (L25)	322	6	104	0	432
Alton, IL (L26)	350	9	140	0	500
Granite City, IL (L27)	339	9	156	0	504
Illinois River (L8)	37	5	41	3	86
Ohio River (L52)	n/a	n/a	n/a	n/a	n/a
Arkansas River (L1)	0	27	10	8	45
Weekly total - 2012	339	36	166	8	549 *
Weekly total - 2011	207	8	38	6	258
2012 YTD ¹	6,014	578	3,839	115	10,546 *
2011 YTD	5,622	385	3,025	121	9,153 *
2012 as % of 2011 YTD	107	150	127	95	115 *
Last 4 weeks as % of 2011 ²	108	88	253	92	135 *
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.

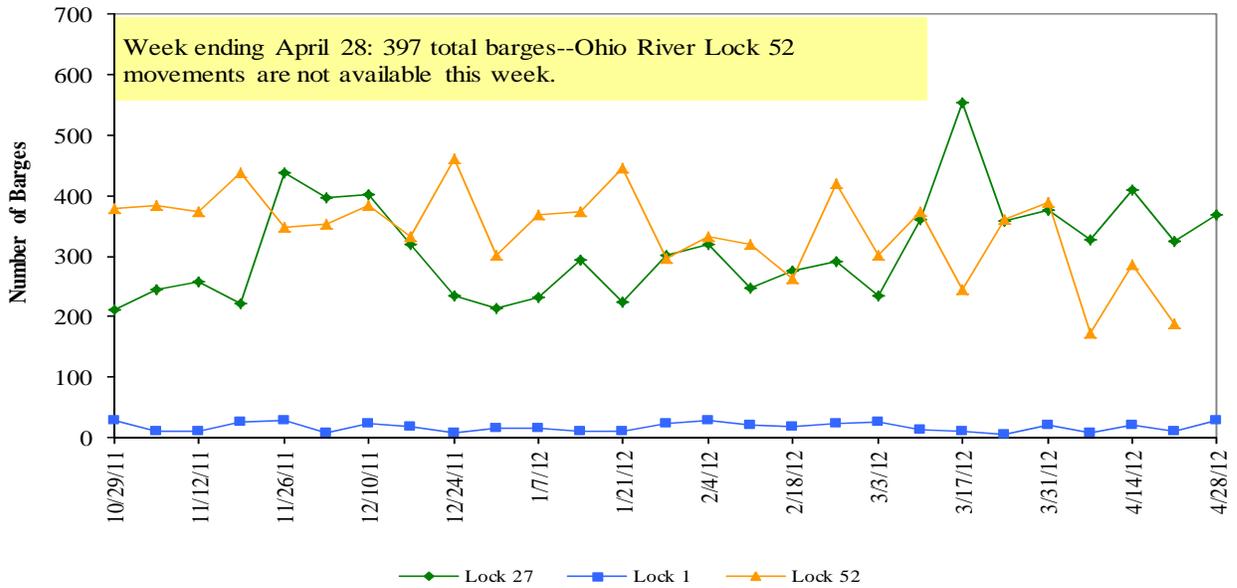
² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

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

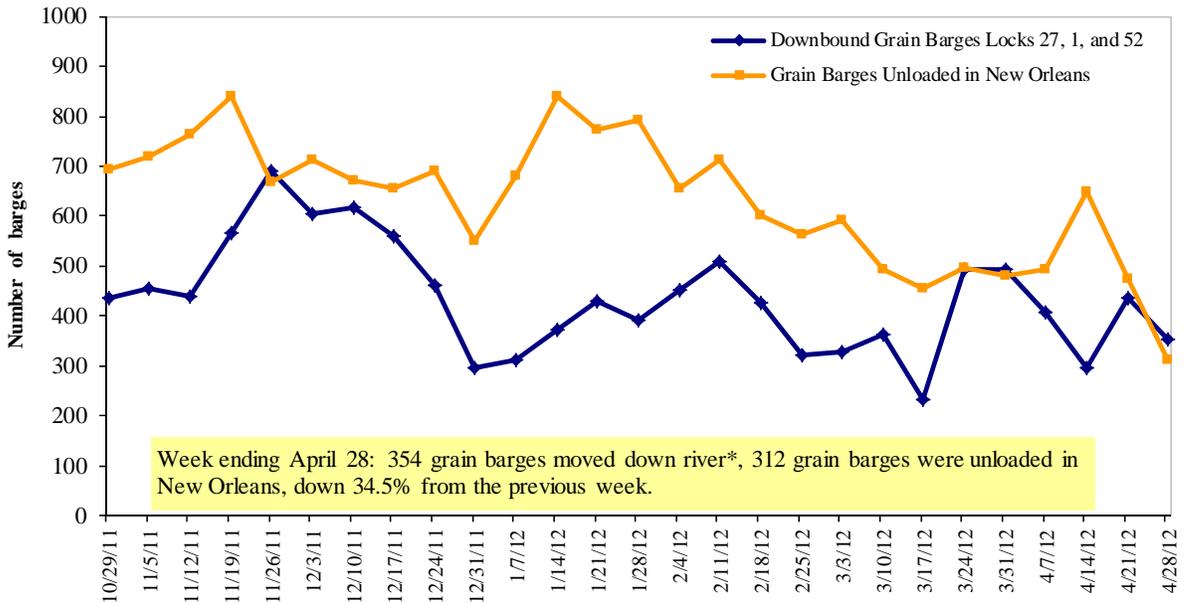
*Data do not include volumes moved through Ohio River Lock 52 during the week ending April 28, 2012

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

*Downbound grain barge data for Ohio River Lock 52 were not available for the week ending April 28.

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 4/30/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.130	-0.016	0.002
	New England	4.255	-0.014	0.024
	Central Atlantic	4.220	-0.025	-0.049
	Lower Atlantic	4.039	-0.011	-0.020
II	Midwest ²	3.971	-0.003	-0.115
III	Gulf Coast ³	3.980	-0.013	-0.080
IV	Rocky Mountain	4.072	-0.018	-0.084
V	West Coast	4.330	-0.015	0.002
	California	4.396	0.012	-0.069
Total	U.S.	4.073	-0.012	-0.051

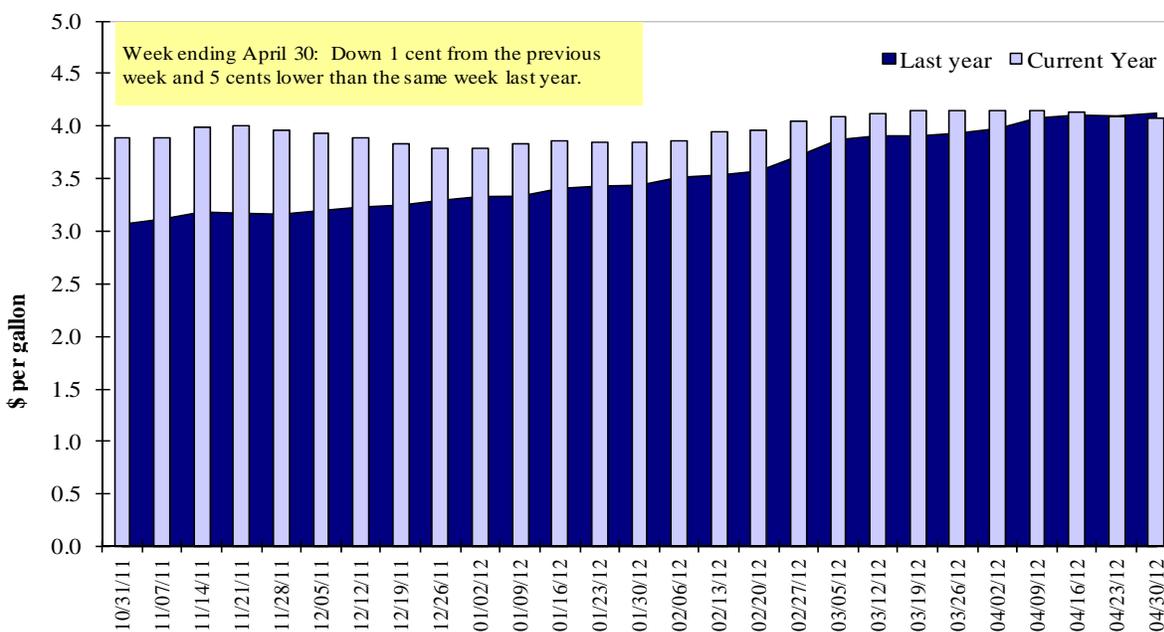
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
4/19/2012	1,187	899	1,044	834	29	3,993	9,495	4,742	18,230
This week year ago	2,852	529	1,535	1,106	49	6,070	12,330	4,921	23,321
Cumulative exports-marketing year²									
2011/12 YTD	8,626	3,380	5,621	4,966	440	23,033	26,475	28,678	78,186
2010/11 YTD	13,773	2,329	7,497	4,117	900	28,615	28,393	36,144	93,152
YTD 2011/12 as % of 2010/11	63	145	75	121	49	80	93	79	84
Last 4 wks as % of same period 2010/11	42	167	69	102	83	71	80	90	80
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 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 04/19/12	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	10,006	12,376	(19)	14,279
Mexico	9,035	6,459	40	7,019
Korea	3,599	4,392	(18)	6,104
China*	4,309	314	1,272	978
Taiwan	1,452	2,334	(38)	2,393
Top 5 importers	28,402	25,876	10	30,772
Total US corn export sales⁴	35,971	40,723	(12)	46,600
% of Projected	83%	87%		
Change from Last Week	646	349		
Top 5 importers' share of U.S. corn export sales	79%	64%		
USDA forecast, April 2012	43,180	46,600	(7)	
Corn Use for Ethanol USDA forecast, Ethanol April 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 04/19/2012	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	21,682	25,594	(15)	24,445
Mexico	2,580	2,699	(4)	3,215
Japan	1,551	1,960	(21)	1,887
EU	975	2,599	(62)	2,607
Indonesia	1,316	1,310	0	1,397
Top 5 importers	28,103	34,162	(18)	33,551
Total US soybean export sales⁴	33,420	41,065	(19)	40,860
% of Projected	95%	101%		
Change from last week	865	144		
Top 5 importers' share of U.S. soybean export sales	84%	83%		
USDA forecast, April 2012	35,110	40,860	(14)	
Soybean Use for Biodiesel USDA forecast, April 2012	9,591	6,115	57	

(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.⁴Not included - FAS Press Release 4/23: 165,000 mt to Unknown for 2011/12.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 04/19/2012	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	3,166	3,631	(13)	3,233
Japan	3,673	3,533	4	3,148
Mexico	3,466	2,647	31	2,601
Philippines	1,982	1,875	6	1,518
Korea	1,923	1,647	17	1,111
Peru	554	986	(44)	923
Taiwan	958	948	1	913
Colombia	447	820	(45)	783
Indonesia	761	682	12	781
Yemen	418	725	(42)	659
Top 10 importers	17,348	17,493	(1)	15,670
Total US wheat export sales	27,026	34,685	(22)	35,080
% of Projected	99%	99%		
Change from last week	387	265		
Top 10 importers' share of U.S. wheat export sales	64%	50%		
USDA forecast, April 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 04/26/12	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	344	418	82	4,537	4,661	97	88	111	13,995
Corn	176	125	141	2,283	2,855	80	90	100	9,198
Soybeans	66	124	53	3,870	2,933	132	156	125	7,321
Total	587	667	88	10,690	10,449	102	102	111	30,513
Mississippi Gulf									
Wheat	18	190	10	2,027	1,880	108	133	173	5,031
Corn	215	409	53	7,434	8,860	84	77	72	26,267
Soybeans	280	129	218	7,948	8,963	89	109	132	19,262
Total	514	727	71	17,410	19,703	88	93	97	50,560
Texas Gulf									
Wheat	147	52	285	1,617	5,094	32	28	50	10,837
Corn	18	31	58	256	459	56	88	63	1,021
Soybeans	0	0	n/a	0	760	0	n/a	0	926
Total	165	82	200	1,872	6,313	30	32	52	12,784
Interior									
Wheat	19	21	91	409	410	100	27	272	1,110
Corn	224	207	109	2,962	2,256	131	68	118	7,509
Soybeans	72	76	95	1,490	1,424	105	83	120	4,273
Total	315	303	104	4,862	4,090	119	275	128	12,892
Great Lakes									
Wheat	12	6	196	38	261	14	14	20	1,038
Corn	0	16	0	30	0	n/a	n/a	114	178
Soybeans	0	0	n/a	2	0	n/a	n/a	0	382
Total	12	22	55	70	261	27	23	29	1,598
Atlantic									
Wheat	0	0	n/a	2	413	0	0	0	686
Corn	0	4	0	62	105	59	55	62	295
Soybeans	3	18	15	434	380	114	88	91	1,042
Total	3	22	12	497	897	55	27	35	2,022
U.S. total from ports²									
Wheat	540	686	79	8,629	12,719	68	68	98	32,697
Corn	634	791	80	13,027	14,535	90	83	84	44,466
Soybeans	421	346	122	13,744	14,460	95	120	126	33,205
Total	1,595	1,823	88	35,401	41,713	85	86	98	110,369

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

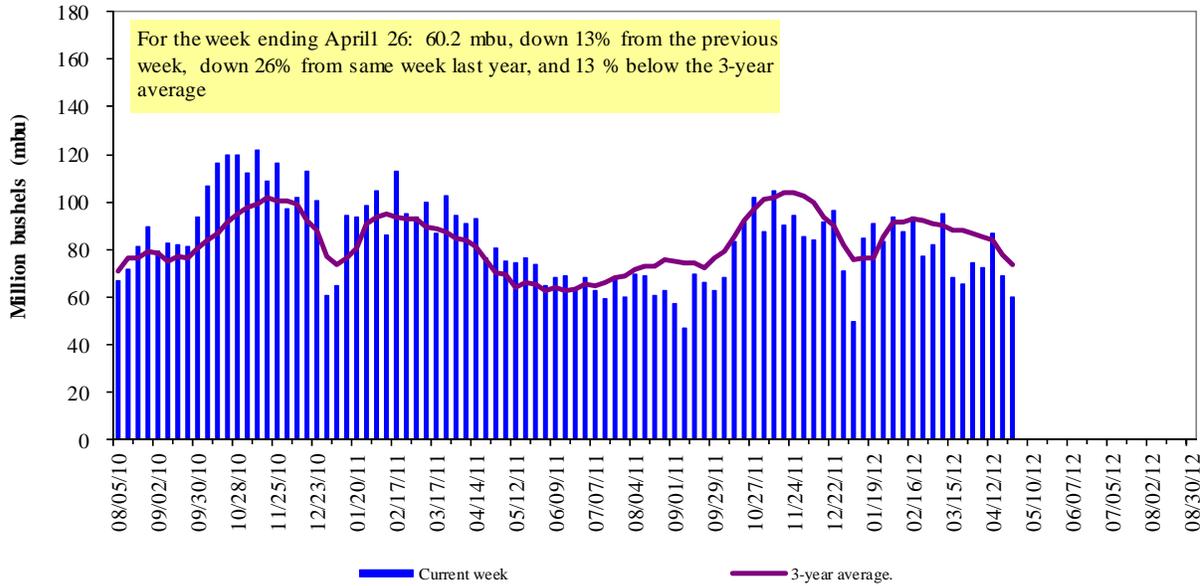
² Total includes only port regions shown above; Interior land-based shipments now included.

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)

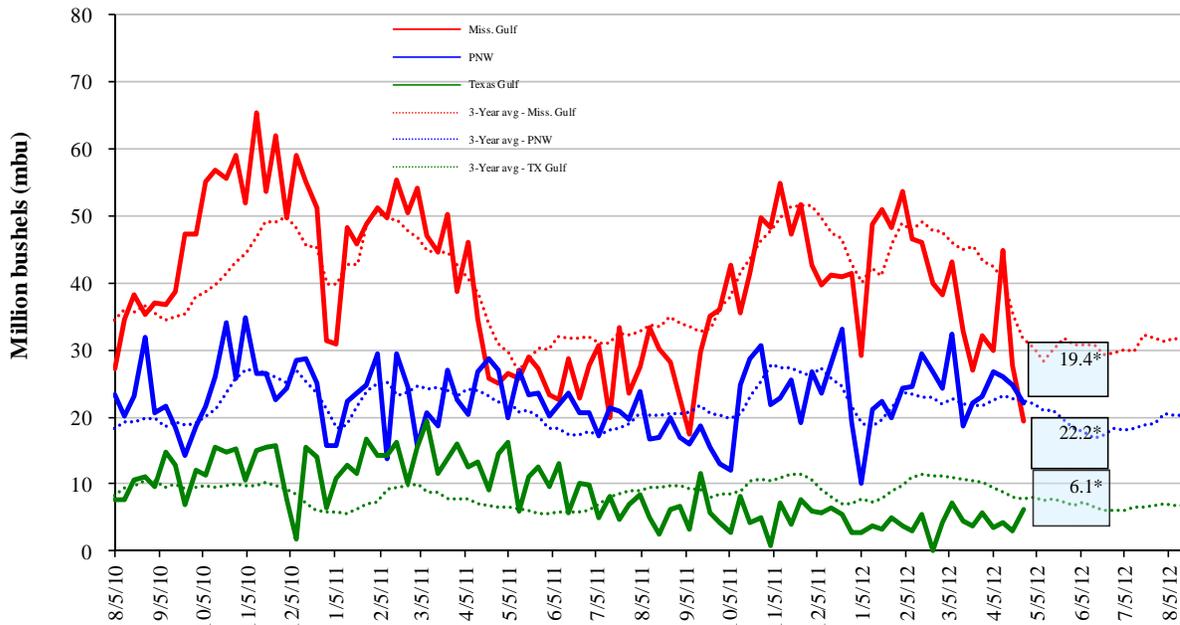


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

April 26 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 30	up 96	down 17	down 11
Last year (same week)	down 23	down 58	down 36	down 18
3-yr avg. (4-wk mov. avg.)	down 39	down 23	down 36	down 2

Ocean Transportation

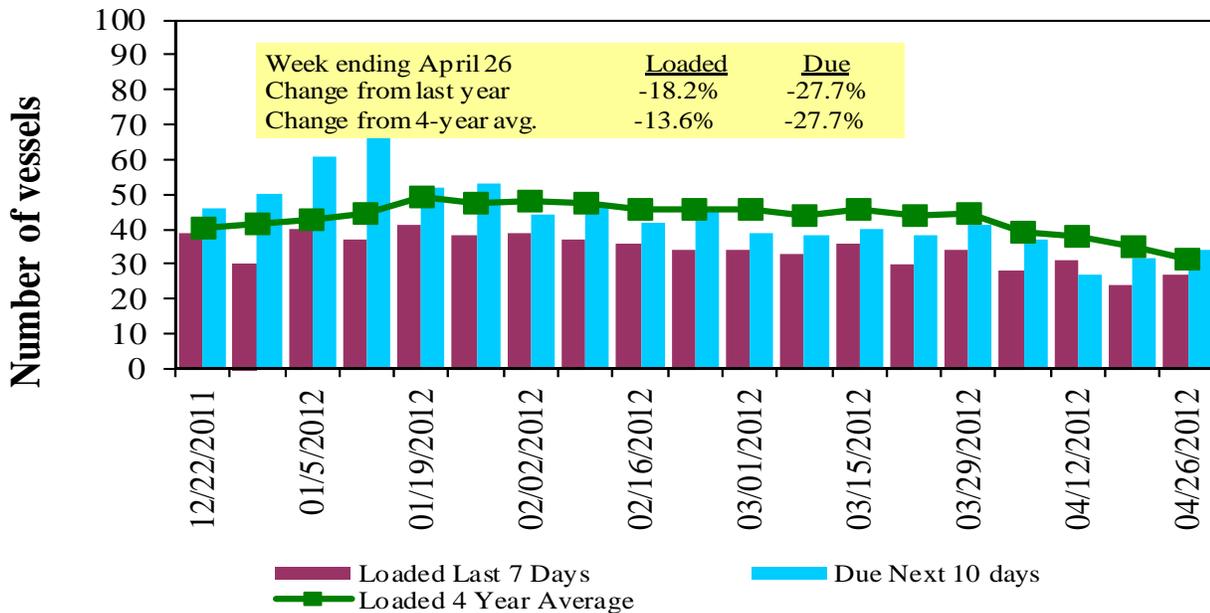
Table 17

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
4/26/2012	15	27	34	8	n/a
4/19/2012	18	24	32	6	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

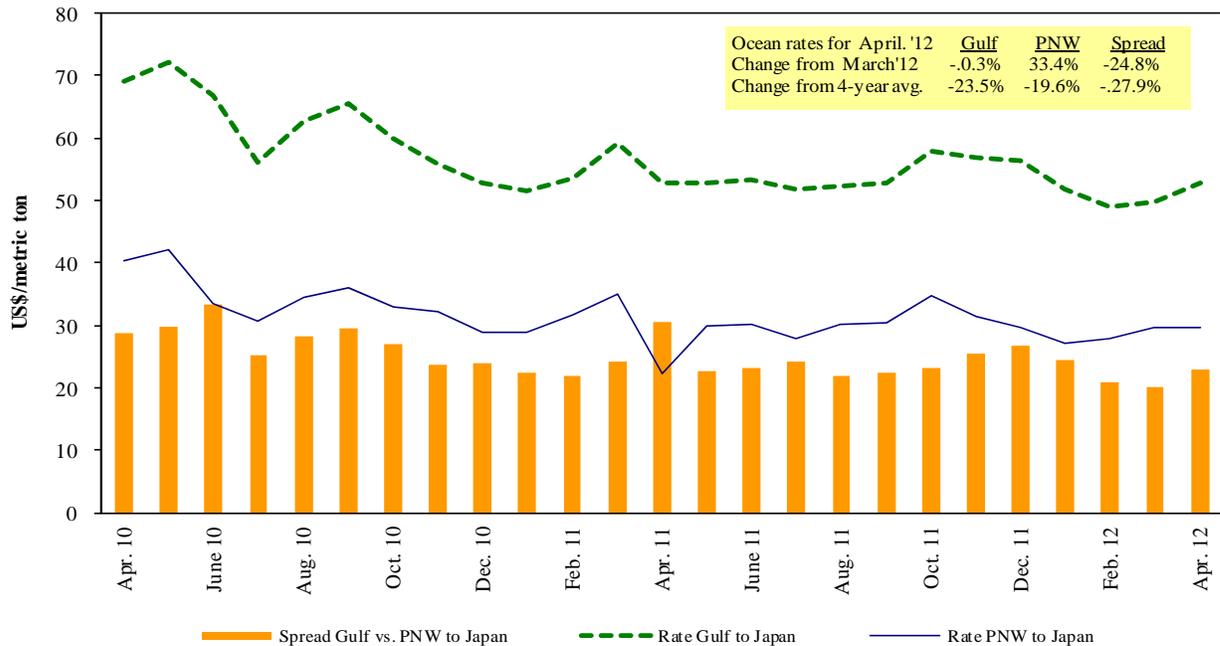
Figure 16
U.S. Gulf¹ Vessel Loading Activity



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 4/28/2012

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
PNW	Djibouti ¹	Wheat	May 5/15	26,430	118.03
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

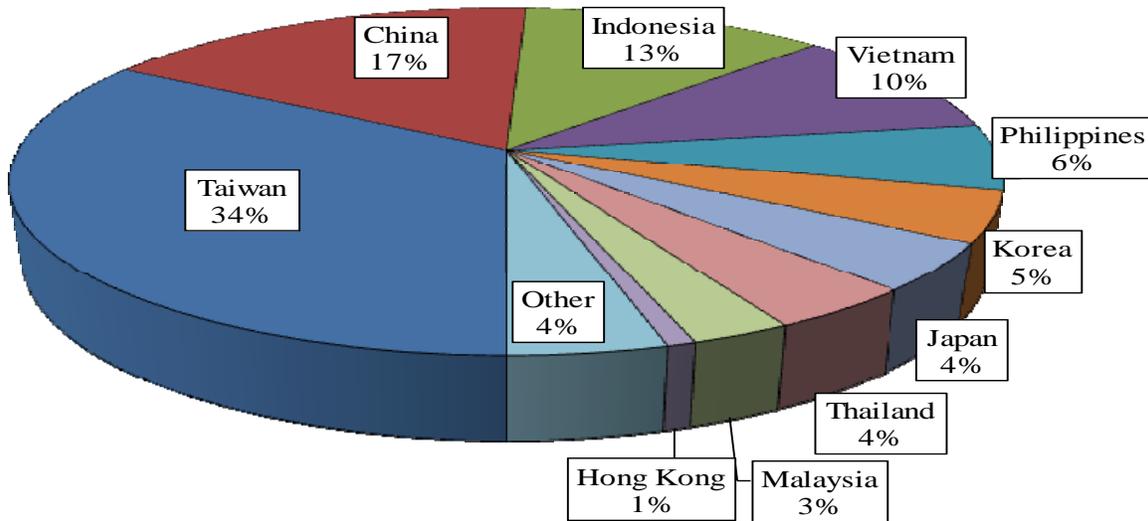
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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

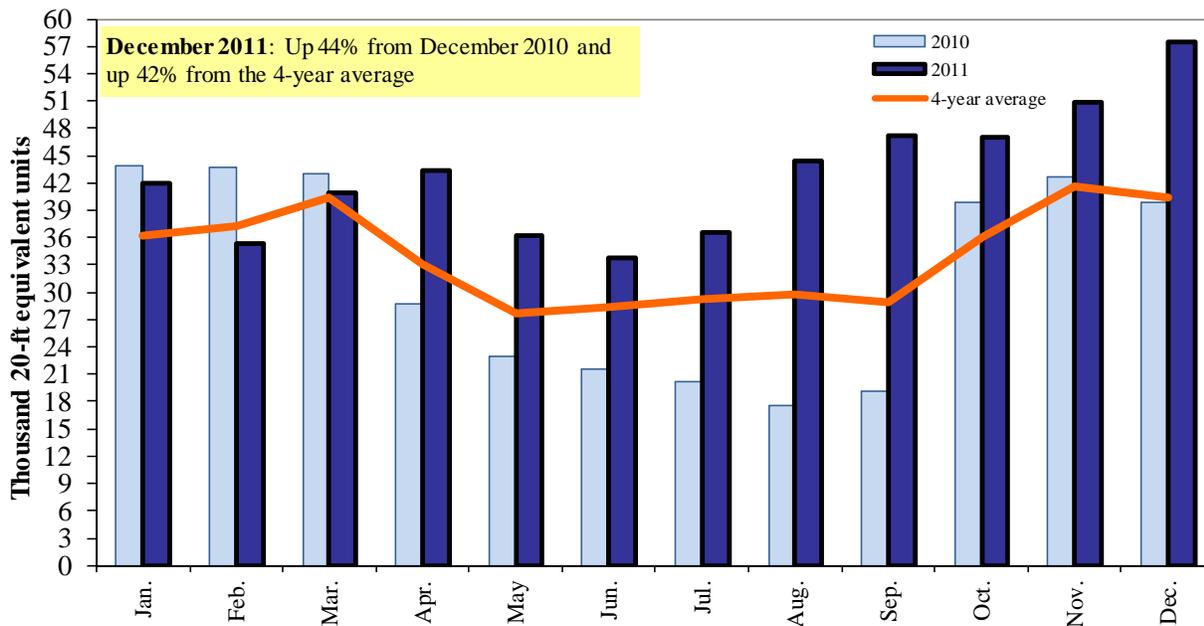


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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