USDA United States Department of Agriculture

Grain Transportation Report

A weekly publication of the Agricultural Marketing Service
www.ams.usda.gov/GTR

Contact Us

June 4, 2015

Contents

The next release is June 11, 2015

WEEKLY HIGHLIGHTS

USDA to Present Oral Testimony on Grain Shipper Access to Rail Rate Appeals Procedures

On June 10, USDA will testify at a public hearing before the Surface Transportation Board (STB). The hearing is the latest development in the ongoing proceeding, Ex Parte 665 (Sub-No. 1): Rail Transportation of Grain, Rate Regulation Review, which was opened to examine issues of grain shipper access to rail rate appeals procedures. USDA will discuss the challenges grain and oilseed shippers face under STB's current rate appeals procedures, the need for a new procedure designed for agriculture, and the use of private-sector style arbitration and mediation as alternative procedures. Many other railroad and agricultural shipping interest groups are scheduled to speak at the hearing. For more information, visit the Surface Transportation Board website.

U.S. Army Corps of Engineers Launch New Website for Mariners

On May 26, the U.S. Army Corps of Engineers launched a new website to provide the public and industry with nationally-issued Notices To Navigation Interests (NTNI). This site will keep navigation interests up to date on events that affect waterway navigation, such as maintenance activities, hazards to navigation, dredging, river bank protection, and other pertinent information. This site does not contain all notices, such as those published by U.S. Coast Guard and other federal agencies. The NTNI website can be found at http://ntninotices.usace.army.mil/.

Grain Inspections Continue to Fall

For the week ending May 28, **total inspections of grain** (corn, wheat, soybeans) from all major export regions reached 1.41 million metric tons (mmt), down 20 percent from the past week, 15 percent below last year, and 8 percent below the 3-year average. Soybean inspections, down 77 percent from the previous week, were the lowest since late August of last year. Wheat inspections decreased 20 percent from the past week, and corn inspections decreased 1 percent. Despite the drop in total grain inspections, Pacific Northwest grain inspections increased 11 percent as corn inspections jumped 99 percent. Mississippi Gulf grain inspections decreased 34 percent due to a large drop in wheat and soybean inspections.

Snapshots by Sector

Export Sales

During the week ending May 21, **unshipped balances** of wheat, corn, and soybeans totaled 16.7 mmt, 4 percent lower than at the same time last year. **Corn export sales** reached 0.655 mmt, down 19 percent from the previous week. **Wheat export sales** of 0.043 mmt were down 43 percent from the previous week. **Soybean export sales** of 0.322 mmt were up 95 percent from the previous week.

Rail

U.S. railroads originated 19,723 **carloads of grain** during the week ending May 23, down 2 percent from last week, down 3 percent from last year, and up 4 percent from the 3-year average.

During the week ending May 28, average June shuttle **secondary railcar bids/offers per car** were $379 below tariff, down $104 from last week and $548 lower than last year. Non-shuttle secondary railcar bids/offers were $33 below tariff, up $40 from last week and $433 lower than last year.

Barge

During the week ending May 30, **barge grain movements** totaled 669,129 tons—about 20 percent lower than the previous week and 22 percent lower than the same period last year.

During the week ending May 30, 445 grain barges **moved down river**, down 31 percent from last week; 422 grain barges were **unloaded in New Orleans**, down 31 percent from the previous week.

Ocean

During the week ending May 28, 32 **ocean-going grain vessels** were loaded in the Gulf, 9 percent less than the same period last year. Thirty-six vessels are expected to be loaded within the next 10 days, 25 percent less than the same period last year.

During the week ending May 29, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $30 per metric ton (mt), down 1 percent from the previous week. The cost of shipping from the PNW to Japan was $16.50 per mt, unchanged from the previous week.

Fuel

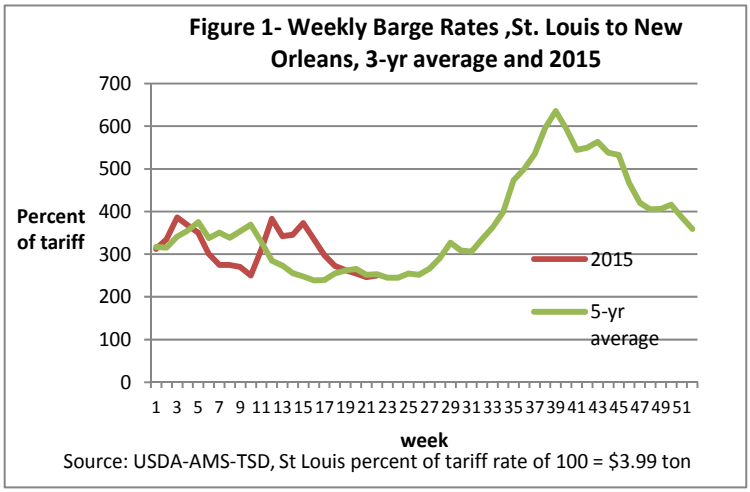
During the week ending June 1, U.S. average **diesel fuel prices** decreased 0.5 cents from the previous week to $2.91 per gallon—down $1.01 from the same week last year.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* June 4, 2015.
Web: http://dx.doi.org/10.9752/TS056.06-04-2015

Feature Article/Calendar

Grain Barge Rates Returning to Average Levels

Barge rates are driven by the fundamental forces of supply and demand for barge services. They are influenced by a variety of factors, including local weather patterns, navigation circumstances, domestic and international consumption of agricultural and industrial products, crop production, and trade policies.[1] Fluctuations in barge rates usually occur because higher demand for barge services increases freight rates while lower demand decreases freight rates. This article will examine navigation circumstances as they impact the supply and demand of barge services and the impact of the crop harvest on freight rates.



Source: USDA-AMS-TSD, St Louis percent of tariff rate of 100 = $3.99 ton

During the first half of 2015, there have been challenging navigation conditions for grain barge shippers, especially with periods of high river levels on the Mississippi, Illinois, Ohio, Missouri, and Arkansas Rivers. High water conditions slowed barge transit times and limited the size of barge tows. However, as of May 30, year-to-date barge grain tonnages[2] reached 13.243 million tons, 12 percent higher than the 5-year average. A large increase in tonnages occurred during late March when weekly tonnages were consistently above average. By this time, navigation conditions had improved long enough to allow barge traffic to operate with fewer interruptions. Figure 1 shows that from weeks 4 to 11, barge rates were below the 5-year average due to a decrease in barge demand; however, during weeks 12 to 19 (late-March to mid-May) grain barge rates began to increase and were above the 5-year average. During that time, the average weekly St. Louis barge rate was 326 percent of tariff ($13.01 per ton), $2.76 per ton higher than the 5-year average of 257 percent of tariff ($10.25 per ton).[3] Since mid-May, barge rates have declined to average levels as demand for barge services has slowed. As of early June, high water conditions have required the U.S. Coast Guard to restrict south-bound tows greater than 600 feet in length and to limit transit to daylight hours in the St. Louis area. In addition, towboats are required to have 250 horsepower for each loaded barge.

As of June 2, weekly St. Louis barge rates are 250 percent of tariff ($9.98 per ton), equaling the 5-year average for June. Barge rates may increase during June as newly harvested wheat becomes available, but significant rate increases based upon historic trends are not likely to begin until August (week 31) as the corn and soybean harvest begins. In the last 5 years, weekly barge rates have peaked in early October (week 39), the beginning of the most active period of the harvest. The rates reported in the GTR are weekly spot rates and are negotiated for shipping grain during a specific week (see **GTR Table 9**). The most active period of barge shipments on a tonnage basis is usually during November (see **GTR feature–May 28**). It is possible, however, that spot barge rates may surge prior to the peak volume time period because some shippers arrange to ship grain ahead of the seasonal peak shipping

[1] Study of Rural Transportation Issues, April 2010, USDA-AMS, US DOT, Page 373, **http://www.ams.usda.gov/AgTransportation**

[2] As measured by down-bound tonnages at Mississippi River Locks 27, Ohio River Locks and Dam 52, and Arkansas River Lock and Dam 1. Data is provided by the U.S. Army Corps of Engineers

[3] Barge operators on the Mississippi River System utilize a percent of tariff system to establish barge freight rates. To calculate the rate in dollars per ton, the industry multiplies the percent of tariff by the benchmark rate. As an example, a 300 percent of St. Louis tariff rate would equal 300 percent of the St. Louis benchmark rate of $3.99 per ton, or $11.97 per ton.

month. Barge rates may then reach equilibrium in November, because some grain shippers purchase barge freight in advance, anticipating the peak volumes in November. In addition, because parts of the Upper Mississippi River begin to close for the winter in December, rates may be lowered so that barge operators can be assured that the barges leave the closed area in November with a revenue-paying load. Otherwise, their barges may be trapped in the Upper Mississippi River for the duration of the winter closure. Finally, an important factor not mentioned is the use of contractual arrangements between barge operators and shippers for negotiated barge services that guarantees freight rates for shippers and allows for the advanced scheduling of barges for the barge operators. Because of their confidential nature, it is not known how the use of contract rates may change the timing of peak barge rates.

Adverse navigation circumstances, whether man-made or weather-related, have a major influence on barge logistics. Delays due to navigation circumstances can increase costs of operating barges, but do not necessarily increase barge freight rates as demand for barge services may weaken during navigation disruptions. High water conditions can require barge operators to limit the size of barge tows that will then lose the benefit of larger barge tows. In addition, larger and more powerful tow boats that use more fuel may be needed in the swifter currents associated with high water conditions. Conversely, low water conditions require light loading of barges to avoid grounding in shallow water resulting in the use of more barges to move the same amount of grain. Delays caused by lock repairs can disrupt barge logistics and slow barge availability. For information on river maintenance and repair activities by the U.S. Army Corps of Engineers, go to http://ntninotices.usace.army.mil/.

Nick.Marathon@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
Week ending		Unit Train	Shuttle		Gulf	Pacific
06/03/15	195	251	195	207	134	117
05/27/15	196	248	200	204	135	117

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = near-month secondary rail market bid and monthly tariff ra with fuel surcharge ($/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

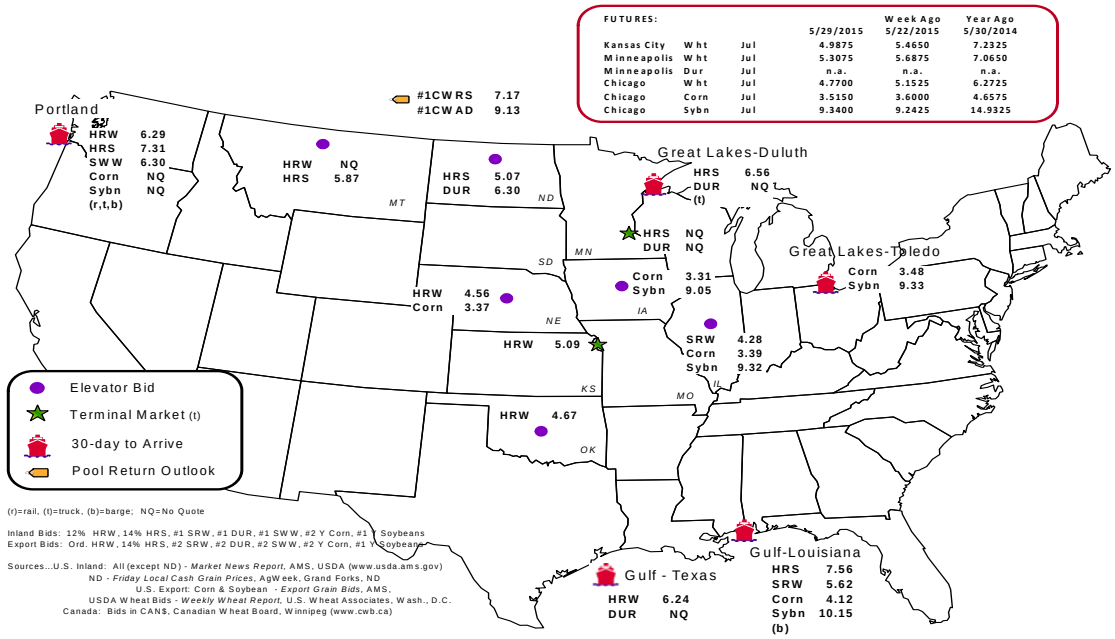
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	5/29/2015	5/22/2015
Corn	IL--Gulf	-0.73	-0.71
Corn	NE--Gulf	-0.75	-0.72
Soybean	IA--Gulf	-1.10	-1.13
HRW	KS--Gulf	-1.15	-1.11
HRS	ND--Portland	-2.24	-2.27

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



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)[1]

Week ending	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
5/27/2015[p]	117	1,381	2,263	319	4,080	5/23/2015	2,087
5/20/2015[r]	213	1,111	3,154	409	4,887	5/16/2015	1,796
2015 YTD[r]	10,673	30,248	100,307	12,370	153,598	2015 YTD	35,981
2014 YTD[r]	20,021	37,587	104,788	14,918	177,314	2014 YTD	39,245
2015 YTD as % of 2014 YTD	53	80	96	83	87	% change YTD	92
Last 4 weeks as % of 2014[2]	44	63	57	115	61	Last 4wks % 2014	79
Last 4 weeks as % of 4-year avg.[2]	64	88	74	121	81	Last 4wks % 4 yr	95
Total 2014	44,621	83,674	256,670	32,107	417,072	Total 2014	96,467
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	71,397

[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 aproximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

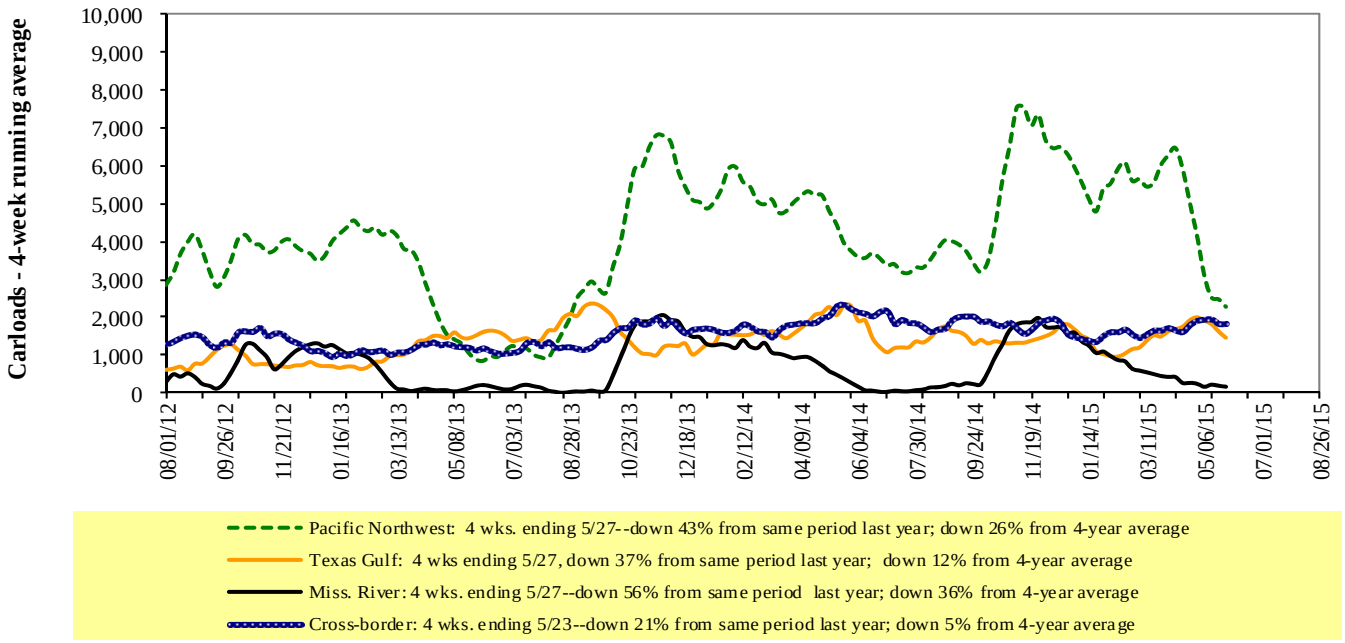
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

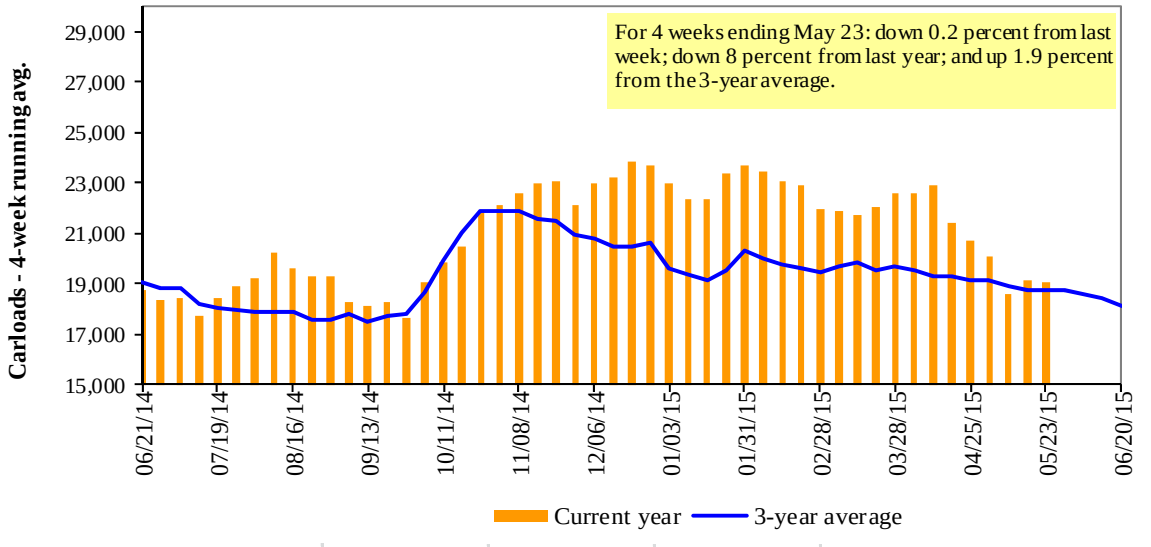
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
05/23/15	2,100	2,766	8,767	1,154	4,936	19,723	3,187	4,407
This week last year	1,797	2,654	8,953	710	6,295	20,409	4,361	6,242
2015 YTD	42,153	61,323	205,674	17,487	105,311	431,948	82,586	86,550
2014 YTD	37,962	60,078	179,843	18,399	116,700	412,982	86,815	104,895
2015 YTD as % of 2014 YTD	111	102	114	95	90	105	95	83
Last 4 weeks as % of 2014[1]	132	101	85	123	79	91	85	72
Last 4 weeks as % of 3-yr avg.[2]	138	110	93	169	91	101	103	85
Total 2014	103,331	153,771	482,431	47,510	297,969	1,085,012	242,616	276,322

[1]The past 4 weeks of this year as a percent of the same 4 weeks last year.

[2]The past 4 weeks as a percent of the same period from the prior 3-year average. YTD = year-to-date.

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Railcar Auction Offerings[1] ($/car)[2]

Week ending	Delivery period							
5/28/2015	Jun-15	Jun-14	Jul-15	Jul-14	Aug-15	Aug-14	Sep-15	Sep-14
BNSF[3]								
COT grain units	2	no offer	no bids	no offer	no offer	no offer	86	777
COT grain single-car[5]	no bids	no offer	1	no offer	no offer	no offer	66 . . 78	503..1451
UP[4]								
GCAS/Region 1	no bids	no offer	no bids	no offer	no bids	no offer	n/a	n/a
GCAS/Region 2	no bids	no offer	no bids	no offer	no bids	no offer	n/a	n/a

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

[3]BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

[4]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

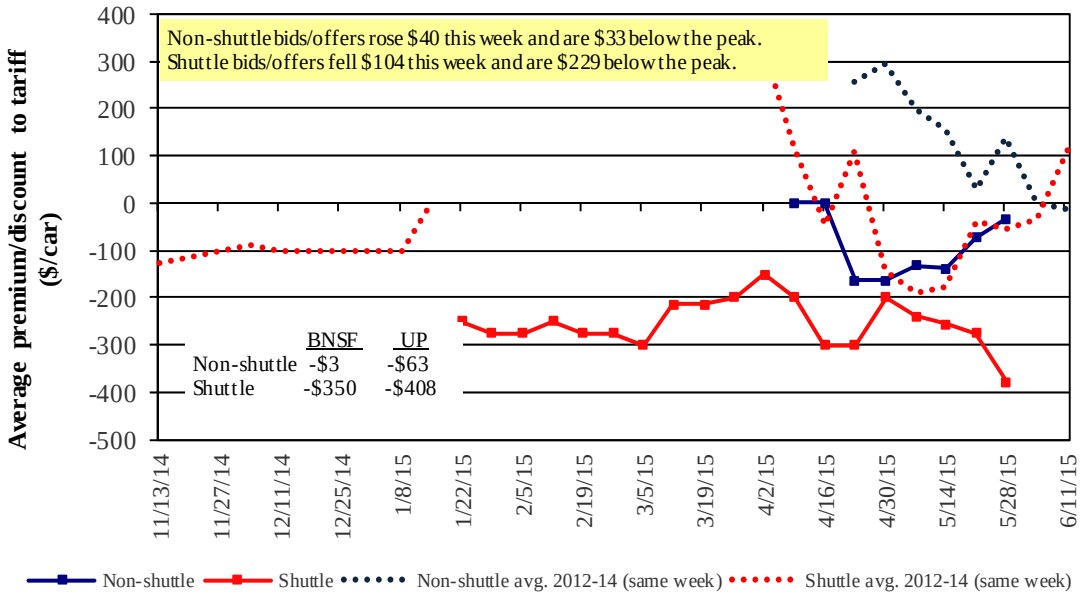
[5]Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/ supply.

Figure 4

Bids/Offers for Railcars to be Delivered in June 2015, Secondary Market

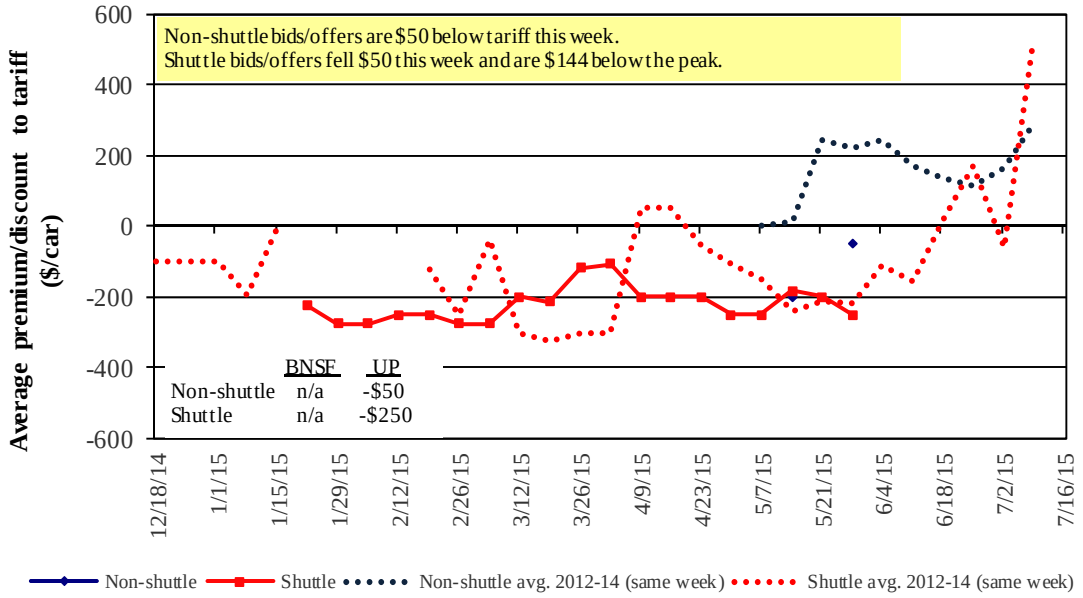


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in July 2015, Secondary Market

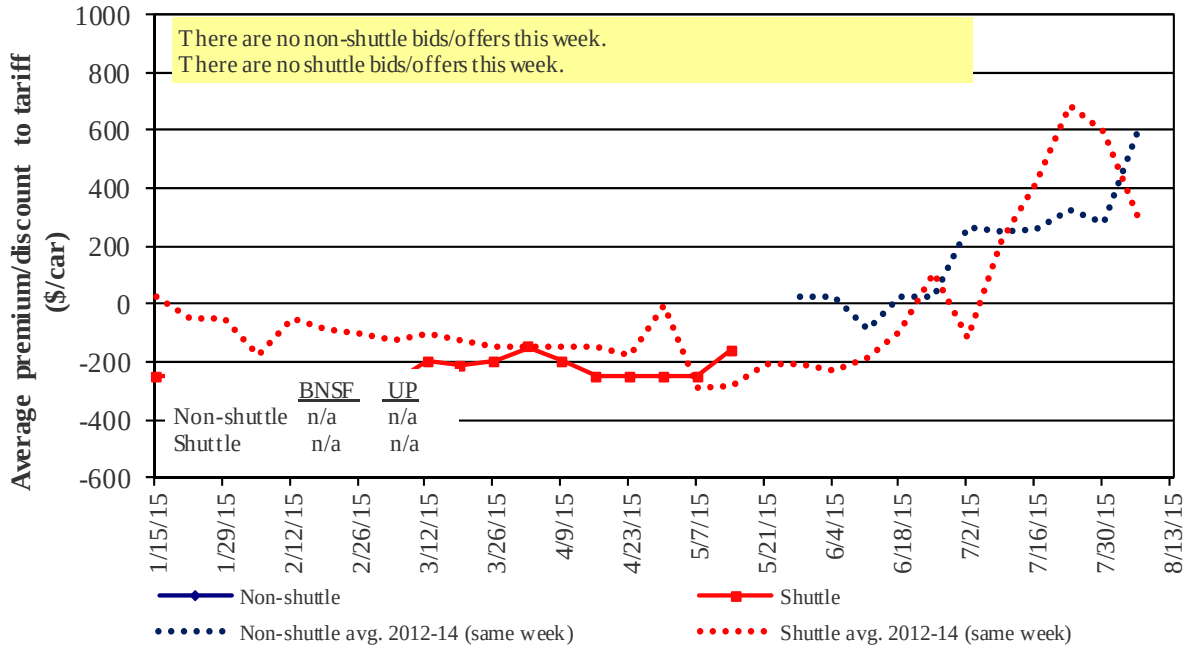


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in August 2015, 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					
5/28/2015	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Non-shuttle						
BNSF-GF	(3)	n/a	n/a	n/a	n/a	n/a
Change from last week	30	n/a	n/a	n/a	n/a	n/a
Change from same week 2014	(803)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(63)	(50)	n/a	n/a	n/a	n/a
Change from last week	50	n/a	n/a	n/a	n/a	n/a
Change from same week 2014	(63)	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(350)	n/a	n/a	400	n/a	n/a
Change from last week	(50)	n/a	n/a	n/a	n/a	n/a
Change from same week 2014	(1,000)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(408)	(250)	n/a	(300)	n/a	n/a
Change from last week	(158)	(50)	n/a	n/a	n/a	n/a
Change from same week 2014	(95)	n/a	n/a	(500)	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.

The **tariff rail rate** is the base price of freight rail service, and together with **fuel surcharges** and any **auction and secondary rail** values constitute the full cost of shipping by rail. Typically, auction and secondary rail values are a small fraction of the full cost of shipping by rail relative to the tariff rate. High auction and secondary rail values, during times of high rail demand or short supply, can exceed the cost of the tariff rate plus fuel surcharge.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date:			Tariff	Fuel surcharge	Tariff plus surcharge per:		Percent change
6/1/2015	Origin region*	Destination region*	rate/car	per car	metric ton	bushel[2]	Y/Y[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,605	$71	$36.50	$0.99	3
	Grand Forks, ND	Duluth-Superior, MN	$4,143	$24	$41.38	$1.13	12
	Wichita, KS	Los Angeles, CA	$6,950	$122	$70.23	$1.91	4
	Wichita, KS	New Orleans, LA	$4,243	$125	$43.37	$1.18	0
	Sioux Falls, SD	Galveston-Houston, TX	$6,486	$100	$65.41	$1.78	5
	Northwest KS	Galveston-Houston, TX	$4,511	$137	$46.15	$1.26	0
	Amarillo, TX	Los Angeles, CA	$4,710	$190	$48.66	$1.32	-2
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,328	$141	$34.45	$0.88	-3
	Toledo, OH	Raleigh, NC	$5,555	$173	$56.88	$1.44	12
	Des Moines, IA	Davenport, IA	$2,168	$30	$21.83	$0.55	2
	Indianapolis, IN	Atlanta, GA	$4,761	$130	$48.57	$1.23	12
	Indianapolis, IN	Knoxville, TN	$4,104	$83	$41.58	$1.06	14
	Des Moines, IA	Little Rock, AR	$3,308	$88	$33.72	$0.86	-2
	Des Moines, IA	Los Angeles, CA	$4,852	$255	$50.72	$1.29	-14
Soybeans	Minneapolis, MN	New Orleans, LA	$3,699	$127	$37.99	$1.03	0
	Toledo, OH	Huntsville, AL	$4,676	$123	$47.66	$1.30	20
	Indianapolis, IN	Raleigh, NC	$5,625	$174	$57.59	$1.57	12
	Indianapolis, IN	Huntsville, AL	$4,368	$83	$44.20	$1.20	24
	Champaign-Urbana, IL	New Orleans, LA	$3,974	$141	$40.86	$1.11	0
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,953	$70	$39.95	$1.09	0
	Wichita, KS	Galveston-Houston, TX	$3,919	$55	$39.46	$1.07	-2
	Chicago, IL	Albany, NY	$4,723	$162	$48.51	$1.32	12
	Grand Forks, ND	Portland, OR	$5,611	$122	$56.93	$1.55	0
	Grand Forks, ND	Galveston-Houston, TX	$6,532	$127	$66.12	$1.80	0
	Northwest KS	Portland, OR	$5,478	$224	$56.62	$1.54	1
Corn	Minneapolis, MN	Portland, OR	$5,180	$148	$52.91	$1.34	-6
	Sioux Falls, SD	Tacoma, WA	$5,130	$136	$52.29	$1.33	-6
	Champaign-Urbana, IL	New Orleans, LA	$3,147	$141	$32.65	$0.83	-3
	Lincoln, NE	Galveston-Houston, TX	$3,610	$79	$36.63	$0.93	-5
	Des Moines, IA	Amarillo, TX	$3,690	$110	$37.74	$0.96	-2
	Minneapolis, MN	Tacoma, WA	$5,180	$147	$52.90	$1.34	-6
	Council Bluffs, IA	Stockton, CA	$4,600	$152	$47.19	$1.20	-7
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,690	$136	$57.85	$1.57	-5
	Minneapolis, MN	Portland, OR	$5,710	$148	$58.17	$1.58	-6
	Fargo, ND	Tacoma, WA	$5,580	$121	$56.61	$1.54	-5
	Council Bluffs, IA	New Orleans, LA	$4,425	$162	$45.56	$1.24	-1
	Toledo, OH	Huntsville, AL	$3,851	$123	$39.46	$1.07	25
	Grand Island, NE	Portland, OR	$5,360	$229	$55.50	$1.51	-2

[1]A 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.

[2]Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

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

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

*Regional economic areas defined by the Bureau of Economic Analysis (BEA)

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to Mexico

Effective date: 6/1/2015							
				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,599	$129	$78.96	$2.15	11
	OK	Cuautitlan, EM	$6,714	$156	$70.19	$1.91	-2
	KS	Guadalajara, JA	$7,159	$151	$74.69	$2.03	-3
	TX	Salinas Victoria, NL	$4,086	$59	$42.35	$1.15	2
Corn	IA	Guadalajara, JA	$8,427	$178	$87.92	$2.23	-2
	SD	Celaya, GJ	$7,780	$168	$81.21	$2.06	-6
	NE	Queretaro, QA	$7,618	$158	$79.45	$2.02	-4
	SD	Salinas Victoria, NL	$6,035	$128	$62.97	$1.60	-5
	MO	Tlalnepantla, EM	$6,963	$153	$72.71	$1.85	-5
	SD	Torreon, CU	$7,050	$141	$73.47	$1.86	-2
Soybeans	MO	Bojay (Tula), HG	$8,365	$150	$87.00	$2.37	-1
	NE	Guadalajara, JA	$8,929	$171	$92.98	$2.53	-1
	IA	El Castillo, JA	$9,270	$167	$96.43	$2.62	-2
	KS	Torreon, CU	$7,226	$106	$74.92	$2.04	0
Sorghum	TX	Guadalajara, JA	$7,150	$110	$74.18	$1.88	-3
	NE	Celaya, GJ	$7,404	$153	$77.21	$1.96	-5
	KS	Queretaro, QA	$7,255	$96	$75.11	$1.91	4
	NE	Salinas Victoria, NL	$5,883	$112	$61.25	$1.55	2
	NE	Torreon, CU	$6,662	$125	$69.35	$1.76	-1

[1]Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

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

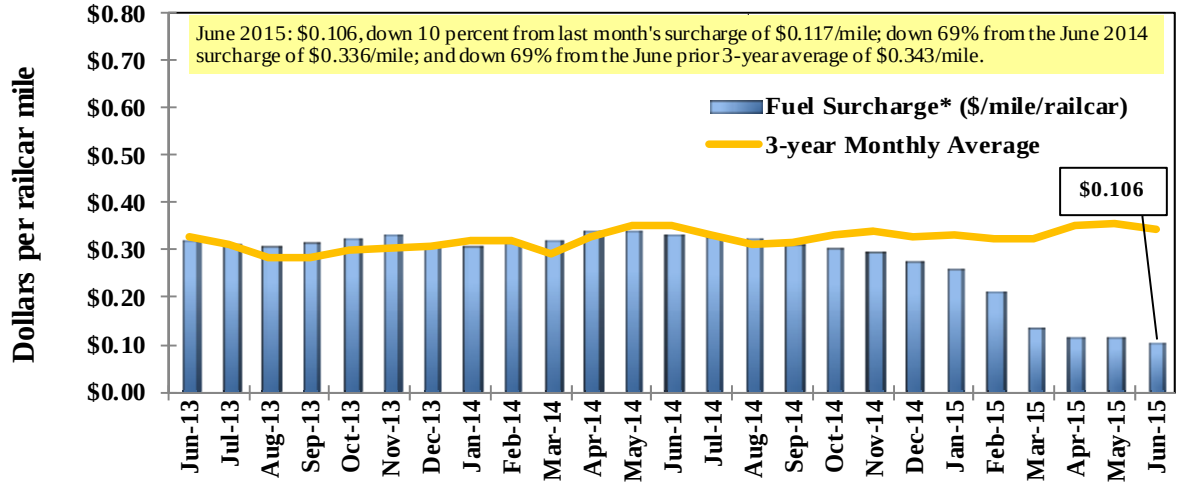
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

Sources: www.bnsf.com, www.uprr.com, www.kcsouthern.com

Figure 7

Railroad Fuel Surcharges, North American Weighted Average[1]



[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.

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

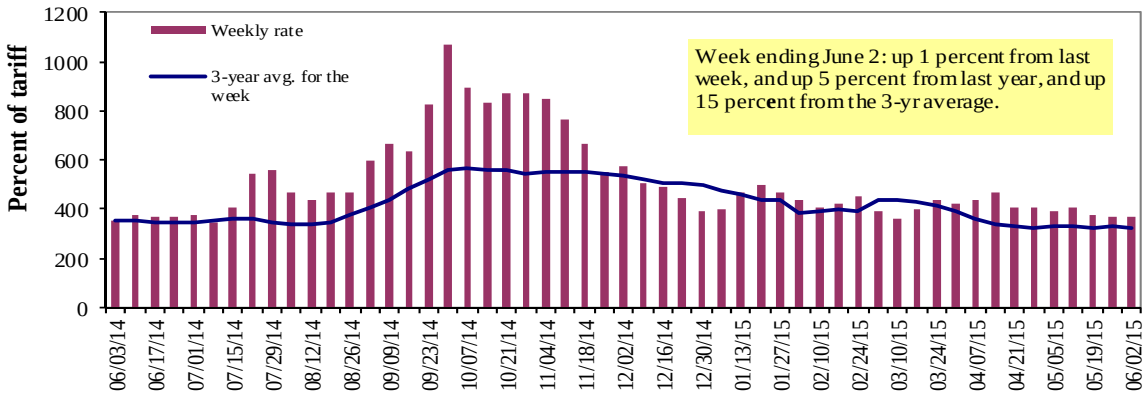
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	6/2/2015	433	378	373	250	228	228	220
	5/26/2015	427	370	368	247	227	227	220
$/ton	6/2/2015	26.80	20.11	17.31	9.98	10.69	9.21	6.91
	5/26/2015	26.43	19.68	17.08	9.86	10.65	9.17	6.91
Current week % change from the same week:								
	Last year	3	6	5	4	-2	-2	10
	3-year avg.[2]	8	16	15	7	-2	-2	12
Rate[1]	July	428	375	373	270	243	243	228
	September	580	595	593	570	595	595	530

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates

Calculating barge rate per ton:
(Rate * 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.

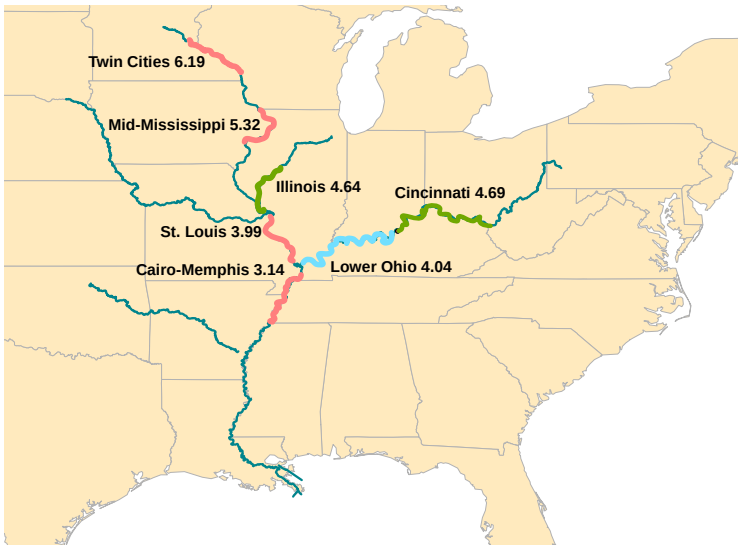
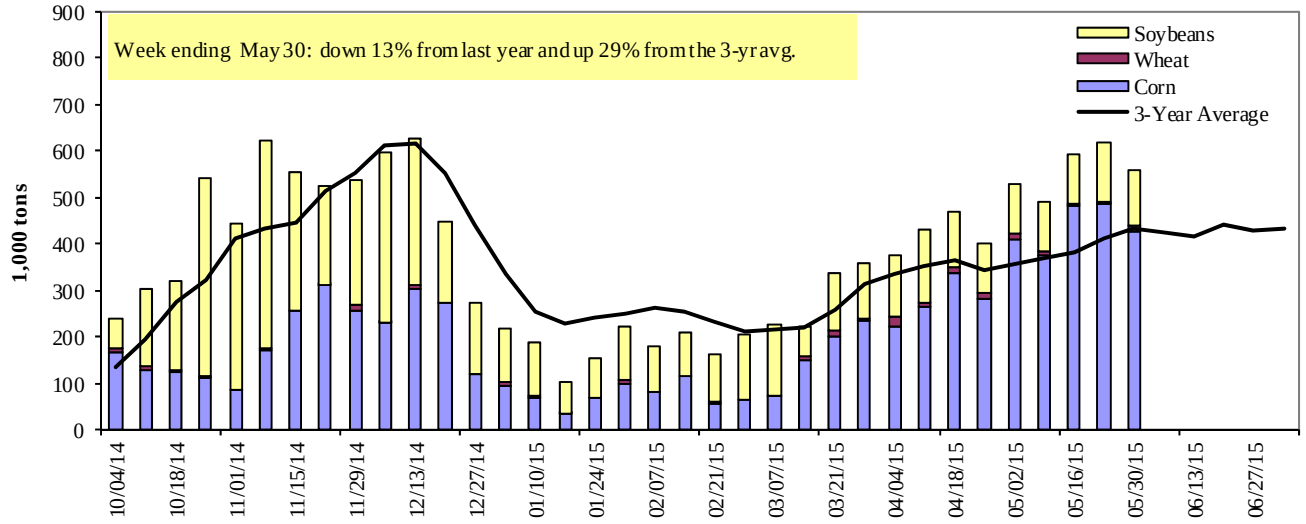


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



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

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

Week ending 05/30/2015	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	126	5	48	0	179
Winfield, MO (L25)	224	5	89	0	317
Alton, IL (L26)	393	14	110	0	517
Granite City, IL (L27)	425	14	120	0	559
Illinois River (L8)	190	2	16	0	208
Ohio River (L52)	77	7	24	2	110
Arkansas River (L1)	0	0	0	0	0
Weekly total - 2015	502	21	144	2	669
Weekly total - 2014	679	51	105	19	854
2015 YTD[1]	8,009	573	4,567	93	13,243
2014 YTD	8,846	805	3,992	91	13,734
2015 as % of 2014 YTD	91	71	114	103	96
Last 4 weeks as % of 2014[2]	98	37	163	22	102
Total 2014	20,693	2,181	11,813	258	34,946

[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.

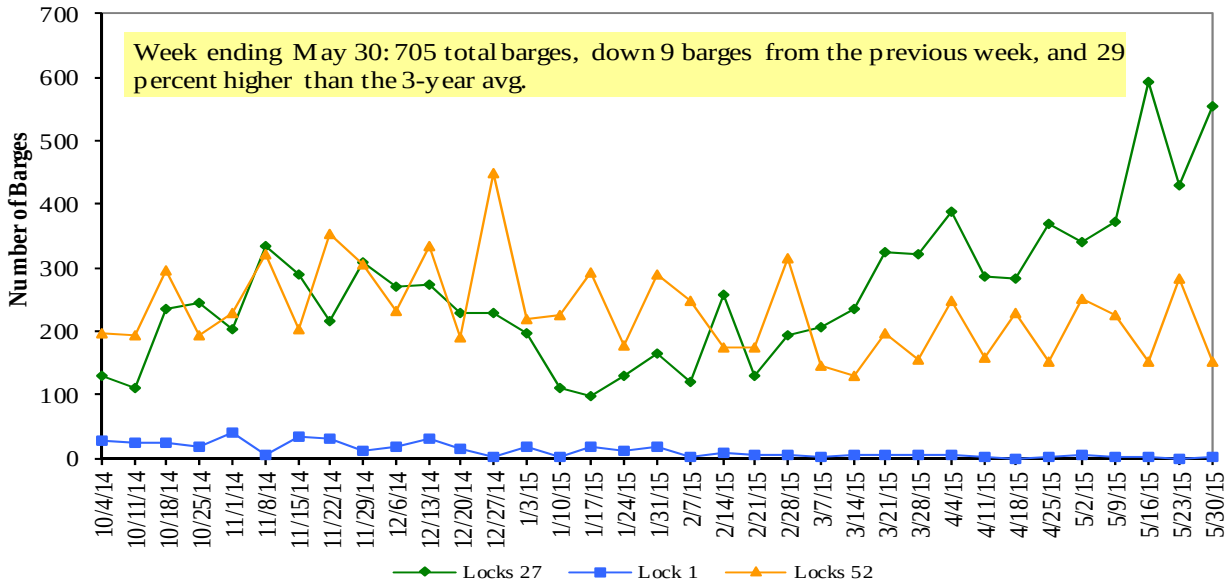
[2] As a percent of same period in 2014.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers

Figure 11

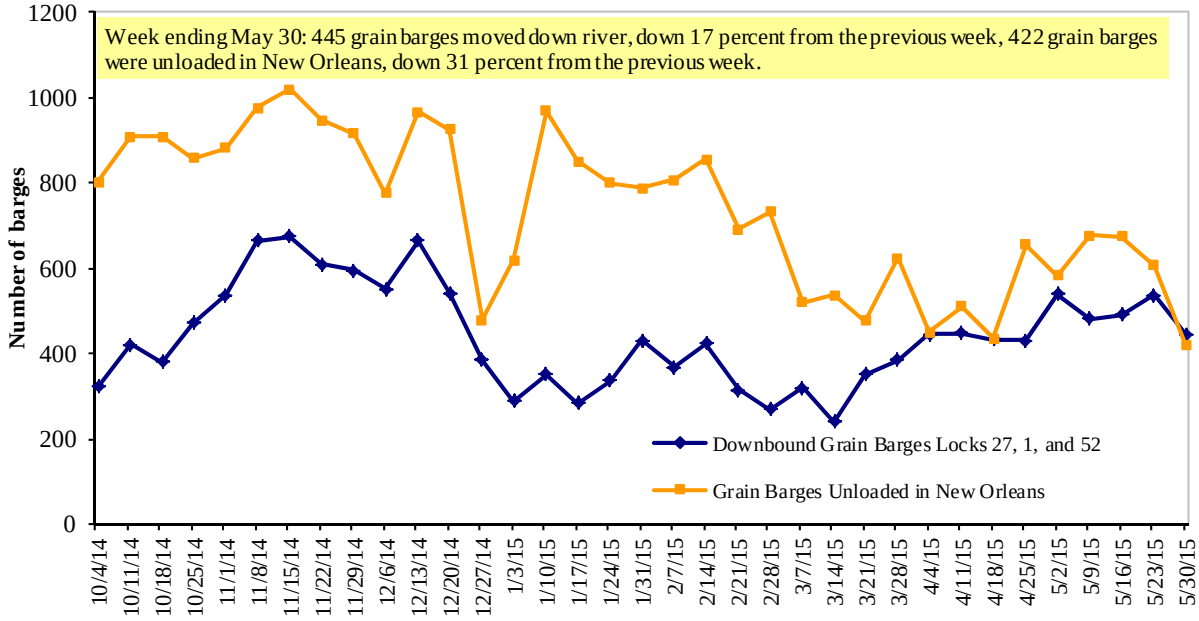
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices[1], Week Ending 6/1/2014 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.001	-0.013	-1.012
	New England	3.092	-0.009	-1.032
	Central Atlantic	3.143	-0.019	-0.973
	Lower Atlantic	2.874	-0.010	-1.036
II	Midwest[2]	2.804	0.004	-1.070
III	Gulf Coast[3]	2.799	-0.004	-0.984
IV	Rocky Mountain	2.835	0.005	-1.101
V	West Coast	3.163	-0.011	-0.858
	West Coast less California	3.055	-0.002	-0.868
	California	3.249	-0.020	-0.854
Total	U.S.	2.909	-0.005	-1.009

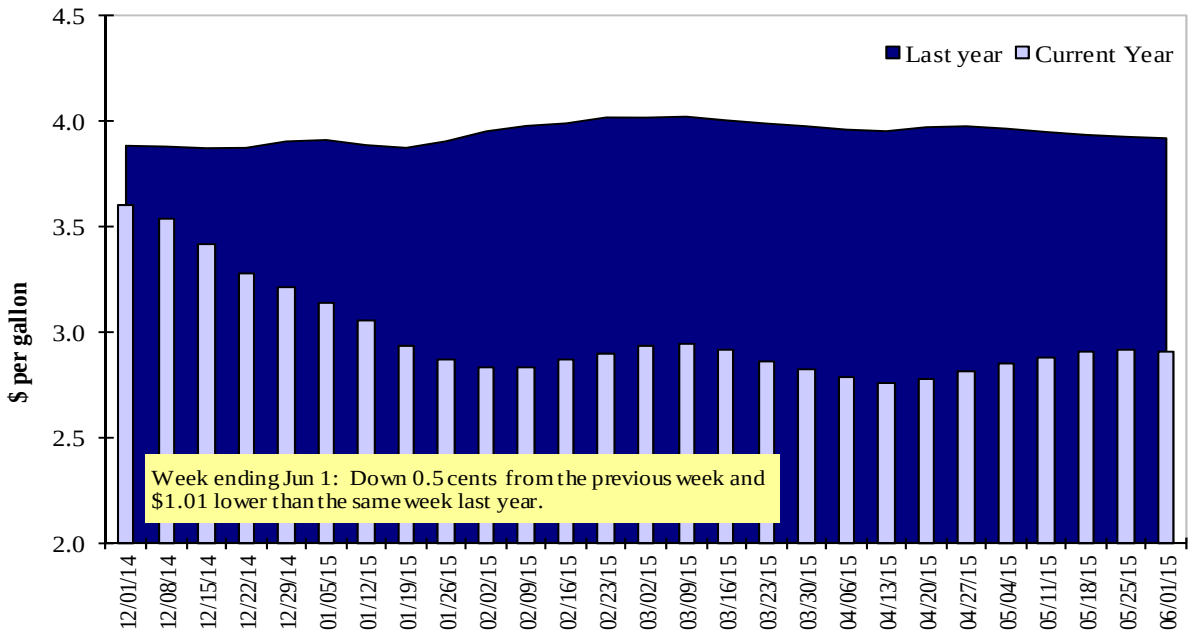
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[2]Same as North Central [3]Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
5/21/2015	425	187	459	260	51	1,381	11,759	3,574	16,714
This week year ago	672	342	861	327	65	2,267	12,987	2,217	17,471
Cumulative exports-marketing year[2]									
2014/15 YTD	6,914	3,625	7,067	3,674	650	21,929	31,237	46,395	99,561
2013/14 YTD	11,300	7,227	6,238	4,240	466	29,471	32,610	42,716	104,797
YTD 2014/15 as % of 2013/14	61	50	113	87	139	74	96	109	95
Last 4 wks as % of same period 2013/14	91	89	72	101	80	84	95	166	79
2013/14 Total	11,465	7,307	6,338	4,367	486	29,963	46,868	44,478	121,309
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293

[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 Importers[1] of U.S. Corn

Week ending 05/21/2015	Total Commitments[2]			% change	Exports[3]
	2015/16	2014/15	2013/14	current MY	3-year avg
	Next MY	Current MY	Last MY	from last MY	2011-2013
		- 1,000 mt -			- 1,000 mt -
Japan	691	10,134	9,975	2	10,079
Mexico	975	9,992	10,058	(1)	8,145
Korea	0	3,005	3,836	(22)	2,965
Colombia	6	3,883	2,932	32	3,461
Taiwan	0	1,857	1,709	9	1,238
Top 5 Importers	**1,672**	**28,871**	**28,509**	**1**	**25,887**
Total US corn export sales	**2,272**	**42,996**	**45,597**	**(6)**	**34,445**
% of Projected	5%	93%	94%		
Change from prior week	**(7)**	**655**	**577**		
Top 5 importers' share of U.S. corn export sales	74%	67%	63%		75%
USDA forecast, May 2015	**48,260**	**46,360**	**48,700**	**(5)**	
Corn Use for Ethanol USDA forecast, May 2015	**132,080**	**132,080**	**130,404**	**1**	

(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 Ranking Reports - http://apps.fas.usda.gov/export-sales/myrkaug.htm; 3-yr average

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week Ending 05/21/2015	Total Commitments[2]			% change current MY from last MY	Exports[3] 3-yr avg. 2011-13
	2015/16 Next MY	2014/15 Current MY	2013/14 Last MY		
		- 1,000 mt -			- 1,000 mt -
China	2,309	30,094	27,598	9	24,211
Mexico	272	3,192	3,121	2	2,971
Indonesia	0	1,636	2,202	(26)	1,895
Japan	205	1,784	1,796	(1)	1,750
Taiwan	3	1,168	1,129	3	1,055
Top 5 importers	**2,789**	**37,874**	**35,846**	**6**	**31,882**
Total US soybean export sales	**4,545**	**49,969**	**44,392**	**13**	**39,169**
% of Projected	9%	102%	99%		
Change from prior week	55	322	(480)		
Top 5 importers' share of U.S. soybean export sales	61%	76%	81%		**81%**
USDA forecast, May 2015	**48,310**	**48,990**	**44,820**	**9**	

(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. (Carryover plus Accumulated Exports)

Table 15

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

Week Ending 05/21/2015	Total Commitments[2]			% change current MY from last MY	Exports[3] 3-yr avg 2011-2013
	2015/16 Next MY	2014/15 Current MY	2013/14 Last MY		
		- 1,000 mt -			- 1,000 mt -
Japan	105	3,143	3,079	2	3,243
Mexico	258	2,722	3,096	(12)	3,066
Nigeria	234	2,082	2,680	(22)	2,960
Philippines	284	2,451	2,161	13	2,006
China	120	391	4,273	(91)	1,830
Brazil	85	1,534	4,288	(64)	1,617
Korea	284	1,180	1,330	(11)	1,552
Taiwan	188	1,000	1,027	(3)	969
Indonesia	10	635	1,142	(44)	813
Colombia	80	583	763	(24)	610
Top 10 importers	**1,648**	**15,719**	**23,839**	(34)	**18,665**
Total US wheat export sales	**3,424**	**23,311**	**31,737**	**(27)**	**27,696**
% of Projected	14%	100%	99%		
Change from prior week*	254	43	(52)		
Top 10 importers' share of U.S. wheat export sales	48%	67%	75%		67%
USDA forecast, May 2015	**25,170**	**23,410**	**32,010**	**(27)**	

(n) indicates negative number.

[1] Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, 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.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 05/28/15	Previous Week[1]	Current Week as % of Previous	2015 YTD[1]	2014 YTD[1]	2015 YTD as % of 2014 YTD	Last 4-weeks as % of 2014	Last 4-weeks as % of 3-yr. avg.	Total[1] 2014
Pacific Northwest									
Wheat	206	236	87	4,744	5,383	88	58	75	12,436
Corn	124	62	199	3,909	3,359	116	46	79	7,781
Soybeans	0	0	n/a	4,043	4,471	90	103	4	12,887
Total	**331**	**299**	**111**	**12,695**	**13,213**	**96**	**53**	**68**	**33,104**
Mississippi Gulf									
Wheat	50	168	30	1,719	1,792	96	161	75	4,495
Corn	708	791	89	12,558	13,932	90	106	178	30,912
Soybeans	37	238	15	9,972	9,771	102	188	148	29,087
Total	**795**	**1,197**	**66**	**24,249**	**25,494**	**95**	**119**	**153**	**64,495**
Texas Gulf									
Wheat	92	32	284	1,666	2,838	59	51	53	6,120
Corn	0	0	n/a	236	279	84	50	94	580
Soybeans	0	0	n/a	182	257	71	0	0	949
Total	**92**	**32**	**284**	**2,084**	**3,375**	**62**	**51**	**55**	**7,649**
Interior									
Wheat	19	13	139	531	546	97	42	76	1,400
Corn	123	107	115	2,441	2,225	110	67	120	5,677
Soybeans	36	69	52	1,521	1,808	84	91	98	4,312
Total	**178**	**190**	**94**	**4,493**	**4,579**	**98**	**54**	**108**	**11,389**
Great Lakes									
Wheat	10	23	45	197	132	150	95	78	935
Corn	0	0	n/a	89	41	215	34	156	288
Soybeans	0	11	0	89	30	296	1,687	488	988
Total	**10**	**34**	**31**	**375**	**203**	**185**	**123**	**121**	**2,211**
Atlantic									
Wheat	1	2	50	220	107	206	10	7	553
Corn	2	5	33	57	267	21	21	33	816
Soybeans	2	4	37	861	976	88	183	157	2,119
Total	**4**	**12**	**38**	**1,137**	**1,350**	**84**	**42**	**41**	**3,487**
U.S. total from ports[2]									
Wheat	379	475	80	9,077	10,797	84	67	67	25,939
Corn	957	966	99	19,289	20,103	96	91	146	46,054
Soybeans	75	323	23	16,668	17,314	96	167	111	50,342
Total	**1,410**	**1,764**	**80**	**45,034**	**48,215**	**93**	**90**	**110**	**122,335**

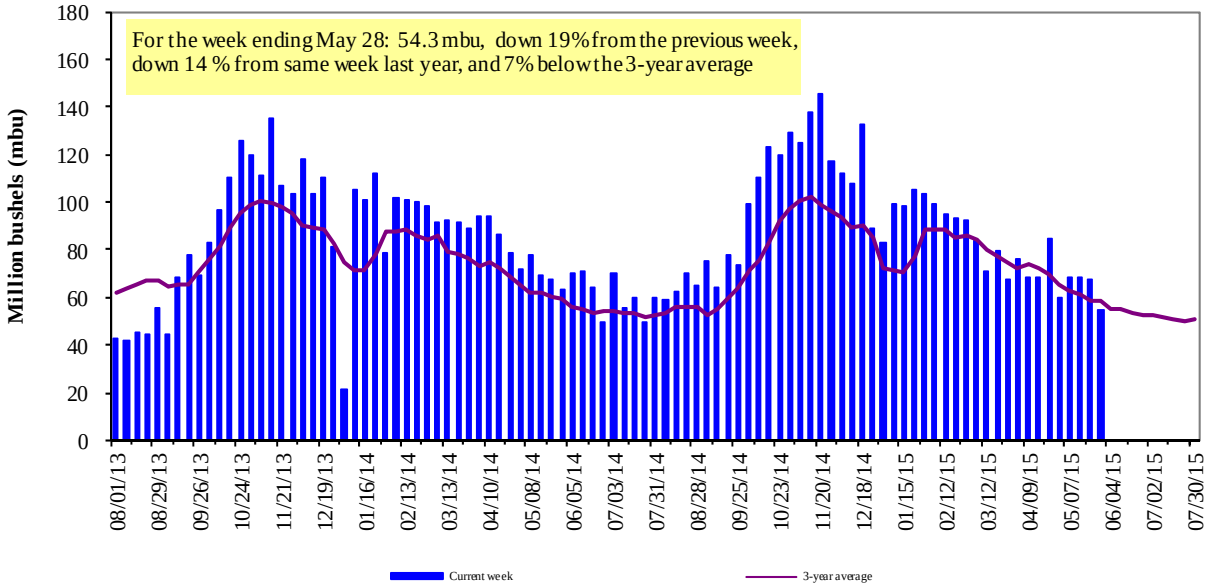
[1] Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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 2014.

Figure 14

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

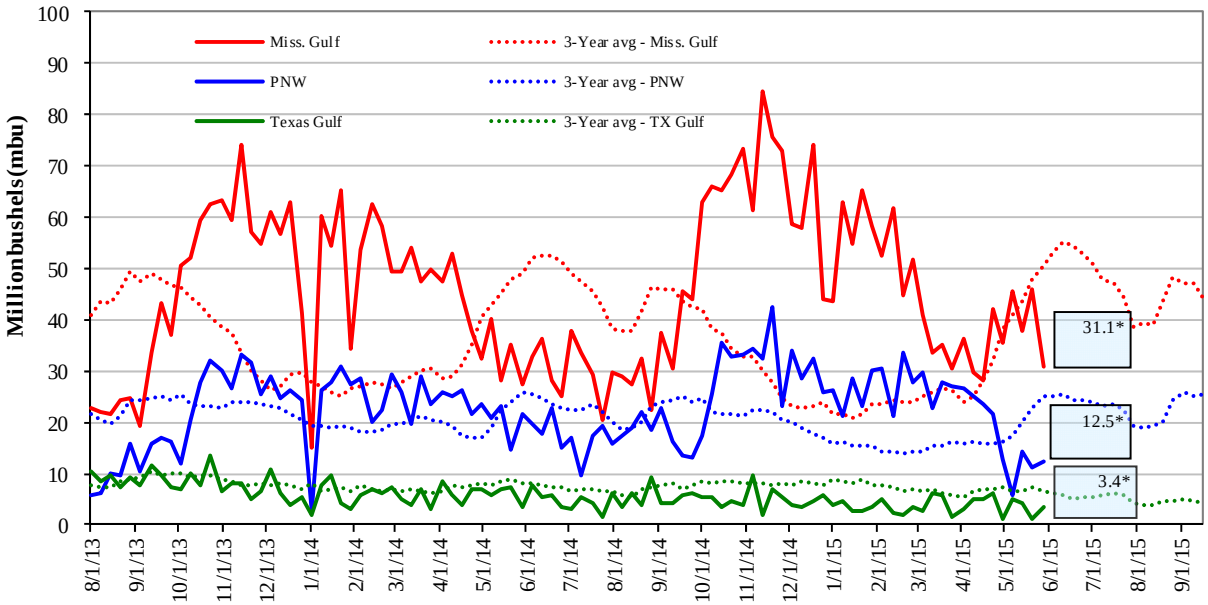


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); *mbu, this week.

May 28: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 33	up 184	down 27	up 12
Last year (same week)	up 14	down 5	up 12	down 43
3-yr avg. (4-wk mov. avg.	down 20	down 46	up 7	down 17

Ocean Transportation

Table 17

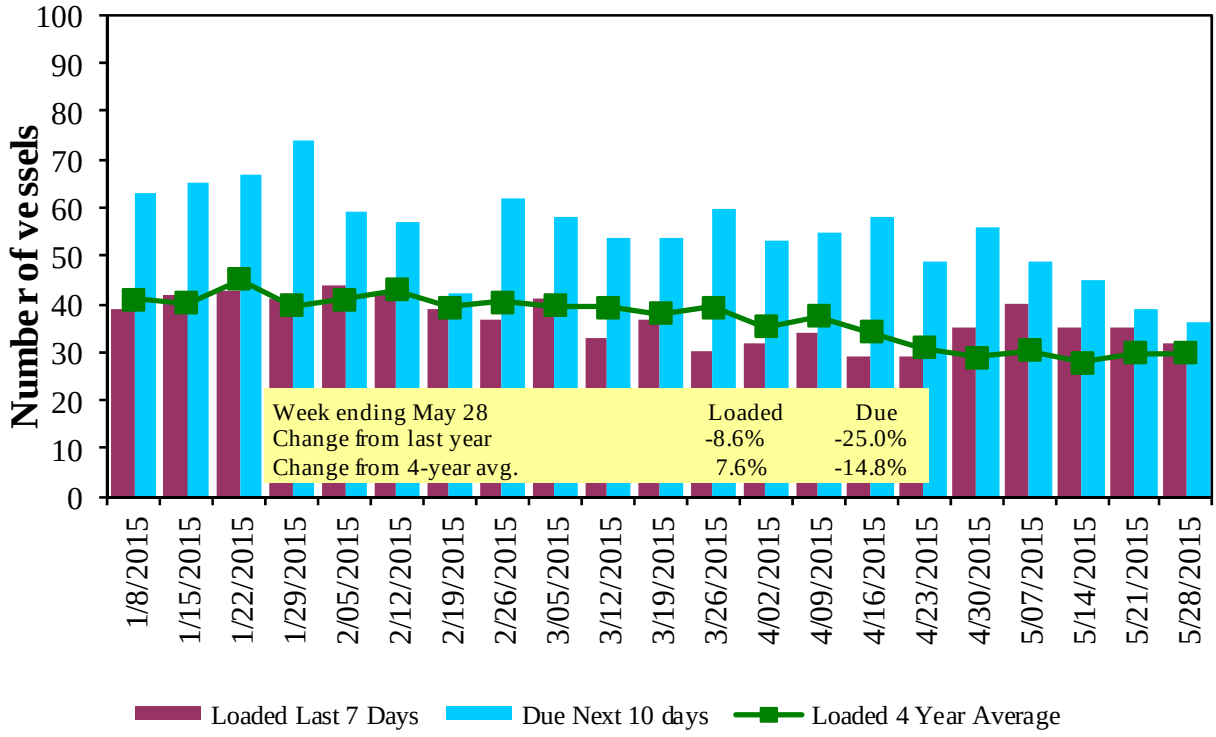
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
5/28/2015	33	32	36	7	n/a
5/21/2015	42	35	39	6	n/a
2014 range	(18..88)	(24..52)	(27..97)	(6..26)	n/a
2014 avg.	46	39	59	15	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

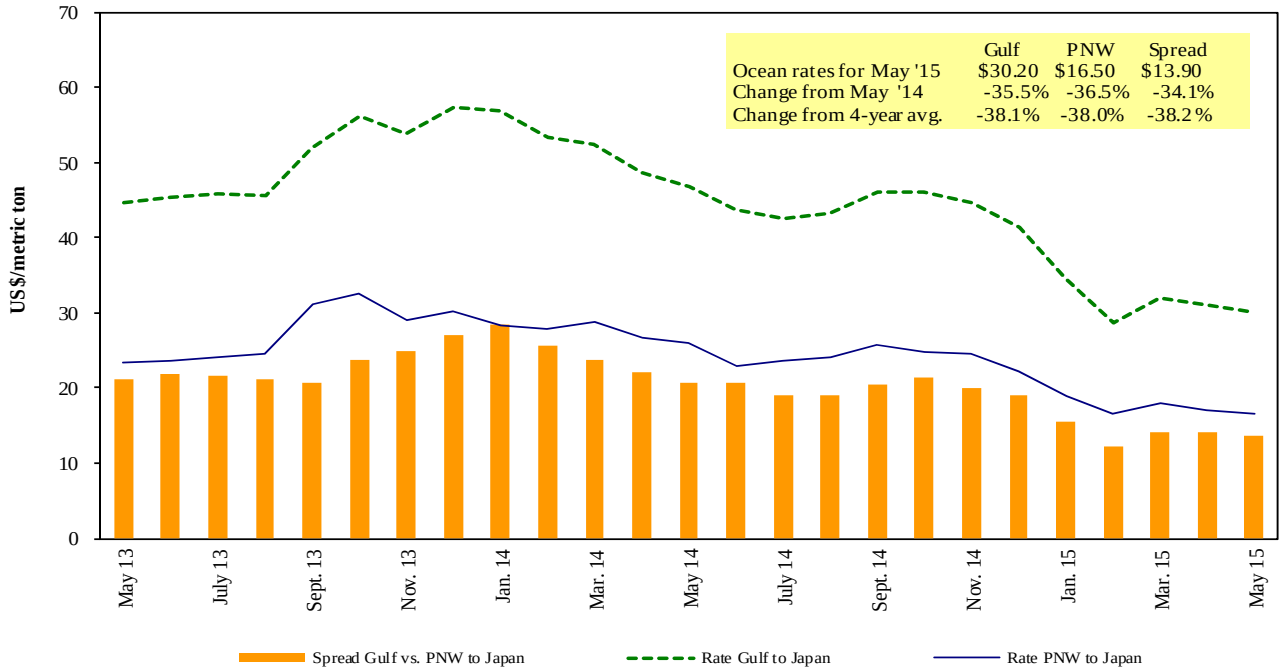


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 5/30/2015

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Grain	Jun 1/10	50,000	35.75
U.S. Gulf	El Salvador[1]	Wheat	May 2/Jun 1	18,700	85.02
PNW	China	Heavy Grain	Jun 1/10	60,000	14.00
Brazil	China	Heavy Grain	Jun 20/30	60,000	21.75
Brazil	China	Heavy Grain	Jun 10/20	60,000	22.25
Brazil	China	Heavy Grain	Jun 10/19	60,000	22.00
Brazil	China	Heavy Grain	Jun 5/14	60,000	22.25
Brazil	China	Heavy Grain	May 25/Jun 5	60,000	23.00
Brazil	China	Heavy Grain	May 20/30	60,000	22.75
Brazil	China	Heavy Grain	Jun 1/30	60,000	22.75
Brazil	China	Heavy Grain	Jun 1/10	66,000	21.00
Brazil	China	Grain	Apr 15/May 31	60,000	24.50
Brazil	China	Grain	Jun 15/25	60,000	21.65
Brazil	Tunisia	Soybeans	May 23/28	30,000	18.00
Canada	China	Heavy Grain	Jun 1/10	60,000	14.00
France	China	Wheat	May 16/25	63,000	26.70
River Plate	China	Heavy Grain	May 20/29	60,000	28.25
River Plate	Romania	Soybean Meal	May 20/25	20,000	36.00
River Plate	Vietnam	Corn	Jun 13/18	60,000	30.00
Russia	Kenya	Wheat	May 20/25	30,000	24.50
Ukraine	Iran	Grain	May 10/25	60,000	22.00

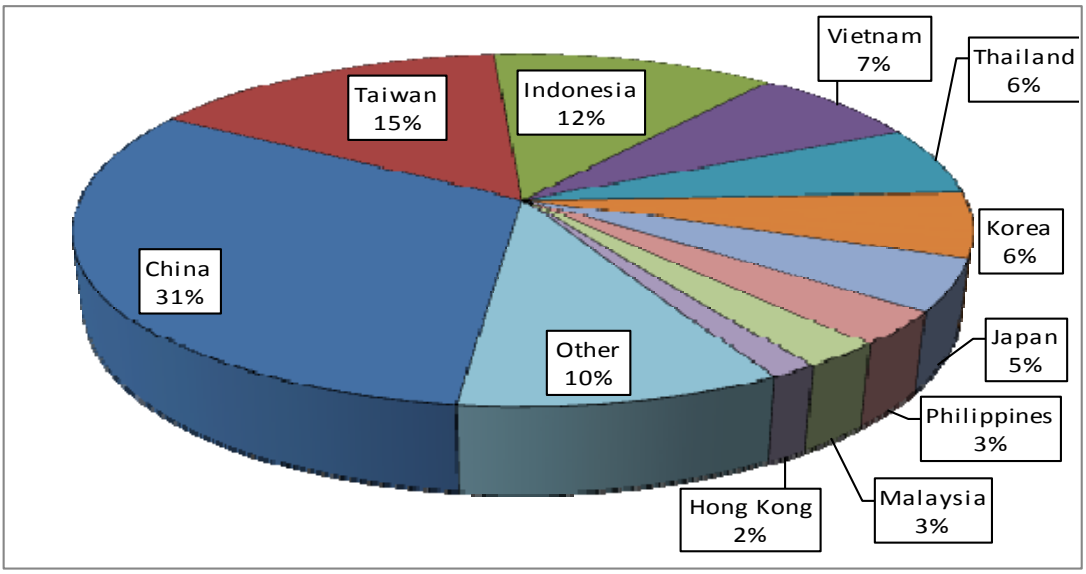
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

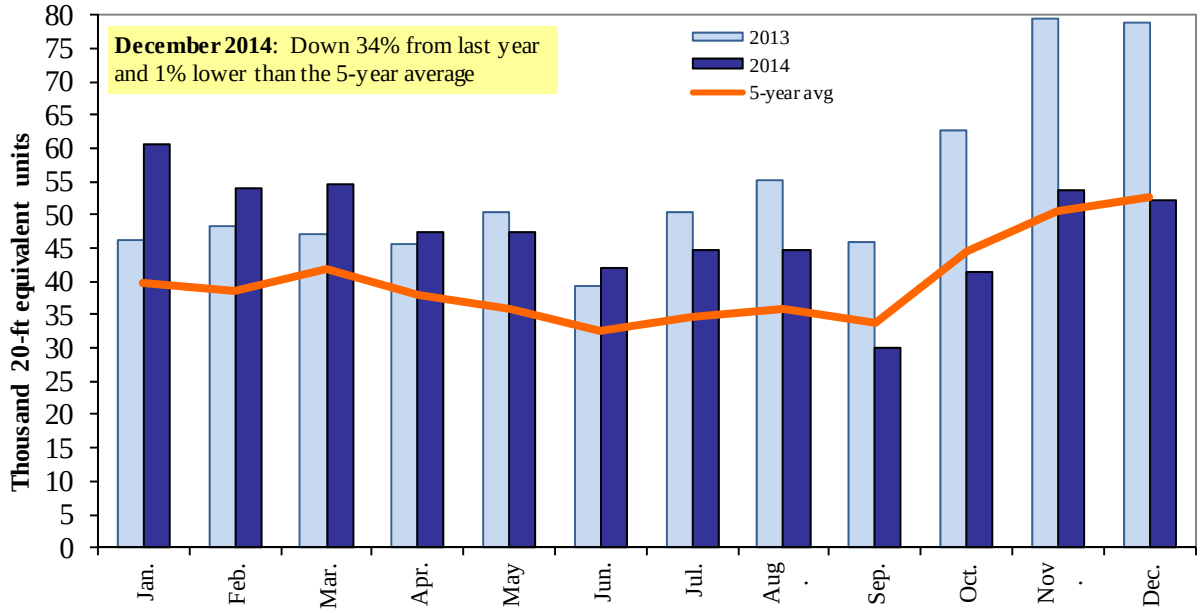
In 2013, containers were used to transport 10 percent of total U.S. waterborne grain exports, up 2 percentage points from 2012. Approximately 61 percent of U.S. waterborne grain exports in 2013 went to Asia, of which 16 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—97 percent in 2013.

Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, January-December 2014



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.

Contacts and Links

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Pierre Bahizi	pierre.bahizi@ams.usda.gov	(202) 690 - 0992
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Weekly Highlight Editors		
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
Rail Transportation		
Marvin Prater	marvin.prater@ams.usda.gov	(540) 361 - 1147
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Adam Sparger	adam.sparger@ams.usda.gov	(202) 205 - 8701
Barge Transportation		
Nicholas Marathon	nick.marathon@ams.usda.gov	(202) 690 - 4430
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Truck Transportation		
April Taylor	april.taylor@ams.usda.gov	(202) 295 - 7374
Grain Exports		
Johnny Hill	johnny.hill@ams.usda.gov	(202) 690 - 3295
Marina Denicoff	marina.denicoff@ams.usda.gov	(202) 690 - 3244
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@ams.usda.gov	(202) 720 - 0119
April Taylor (Container movements)	april.taylor@ams.usda.gov	(202) 295 - 7374

Subscription Information: Send relevant information to **GTRContactUs@ams.usda.gov** for an electronic copy *(printed copies are also available upon request)*.

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