



Grain Transportation Report

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

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July 10, 2014

WEEKLY HIGHLIGHTS

Grain Inspections Rebound After Two-Week Lag

For the week ending July 3, total inspections of grain (corn, wheat, and soybeans) for export from all major export regions rebounded, reaching 1.54 million metric tons (mmt), up 19 percent from the past week, 52 percent above last year, and 9 percent above the 3-year average. Grain inspections have been dropping for the past 2 weeks as demand slowed. Inspections of grain increased 25 percent in the Mississippi Gulf and 12 percent in the Pacific Northwest as demand for wheat and corn increased. Total inspections of wheat and corn from all major ports were up 22 and 20 percent from the past week. Wheat shipments increased to Asia and the Middle East, and corn shipments increased to Asia and Latin America. Soybean inspections were down 4 percent from the previous week. Outstanding export sales (unshipped) of wheat increased but decreased for corn and soybeans.

Past Due Graincars as of July 7

On July 7, BNSF reported that it had 7,388 past-due graincars an average of 26.6 days late, down from 8,462 for the prior week. In Minnesota, BNSF reported 743 grain cars an average of 16.9 days late, in Montana, 1,415 grain cars an average of 29.8 days late, and in North Dakota, 4,696 grain cars, an average of 28.5 days late. Canadian Pacific reported that its backlog was 10,000–12,000 grain cars for an average of 9.68–9.83 weeks late. However, Canadian Pacific also reported open requests of 24,786 in North Dakota and 8,186 in Minnesota.

Negotiators Pause West Coast Longshore Labor Negotiations....

Negotiations have continued past the July 1 expiration of the West Coast Longshore Labor Contract. However, as of the morning of July 8, the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) have temporarily halted negotiations. Both parties released the following joint statement yesterday: "There will be a short-term extension from 8 AM Tuesday (7/8) through 8 AM Friday (7/11) to allow the ILWU to attend to an unrelated negotiation taking place in the Pacific Northwest." The extension will continue all the terms of the previous contract, will limit the ability of any of the Locals to take their own job actions, and will allow the PMA to seek arbitration in the event of a labor disruption.

...while Truckers Form Picket Lines

A group of 120 truck drivers from the Justice for Port Truck Drivers have formed picket lines at several terminals at the Ports of Los Angeles and Long Beach protesting the practices of three trucking companies that have allegedly "improperly classified drivers as independent contractors to reduce wages and benefits." Terminal operations slowed briefly Tuesday morning as dockworkers honored picket lines; however, an arbitrator ruled the strike a non-bona-fide picket and ordered the dockworkers to return to work. It is unknown how long the truckers will continue their picket.

Snapshots by Sector

Rail

U.S. railroads originated 18,003 **carloads of grain** during the week ending June 28, up 2 percent from last week, up 13 percent from last year, and down 5 percent from the 3-year average.

During the week ending July 3, average July non-shuttle **secondary railcar bids/offers per car** were \$500 above tariff, up \$162.50 from last week and \$499.50 higher than last year. Average shuttle secondary railcar bids/offers per car were \$300 above tariff, down \$575 from last week and \$451 higher than last year.

Barge

During the week ending July 5 **barge grain movements** totaled 693,287 tons—7 percent lower than the previous week but 84.4 percent higher than the same period last year.

During the week ending July 5, 417 grain barges **moved down river**, down 19.5 percent from last week; 575 grain barges were **unloaded in New Orleans**, up 8.3 percent from the previous week.

Ocean

During the week ending July 3, 26 **ocean-going grain vessels** were loaded in the Gulf, 7 percent less than the same period last year. Forty-eight vessels are expected to be loaded within the next 10 days, 11 percent less than the same period last year.

During the week ending July 3, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$43 per mt, up 2 percent from the previous week. The cost of shipping from the PNW to Japan was \$23.50 per mt, up 7 percent from the previous week.

Fuel

During the week ending July 7, U.S. average **diesel fuel prices** decreased 1 cent from the previous week to \$3.91 per gallon—up 8 cents from the same week last year.

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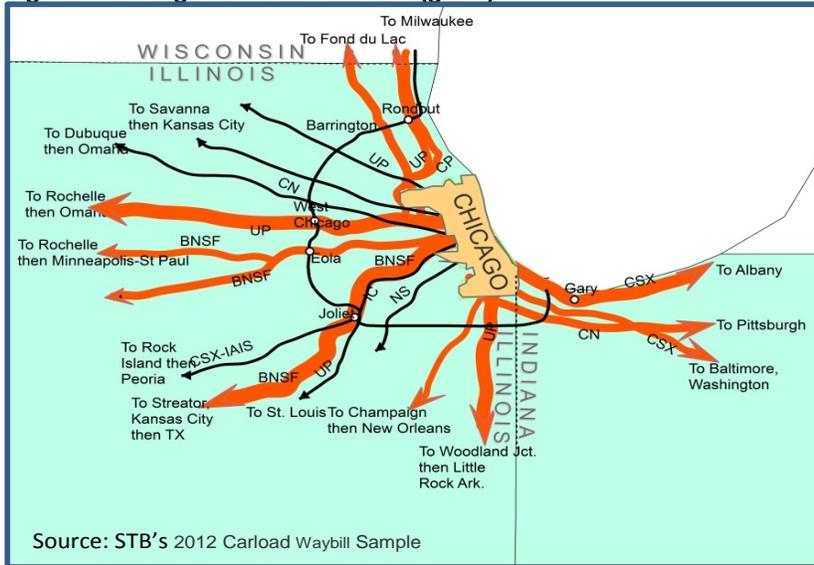
The next
release is
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Feature Article/Calendar

Importance of Chicago to Grain Transportation: A Closer Look, 1996 to 2012

Chicago is the busiest rail hub in the United States, but for many years has been plagued by rail congestion and long interchange times between railroads. Six of the seven largest railroads in the United States interchange in Chicago. In addition, one of the Nation's largest grain trading markets is located in Chicago.¹

Figure 1: Chicago Railroad Network (grain)



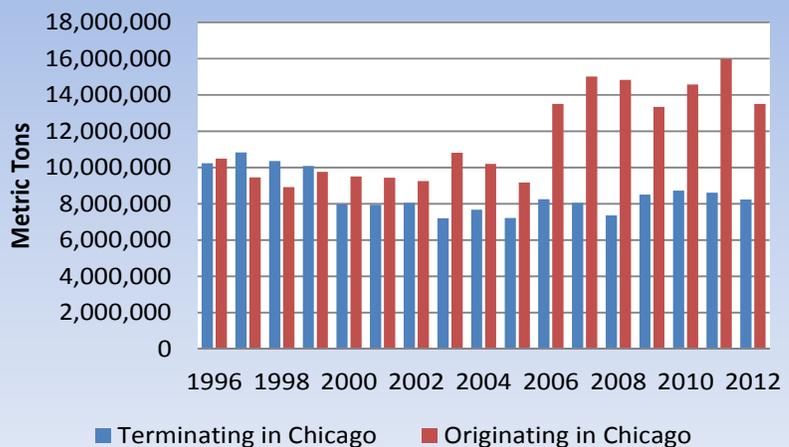
In 2003, the Chicago Region Environmental and Transportation Efficiency program (CREATE)² was formed to eliminate congestion and bottlenecks at railroad interchanges in the Chicago region. CREATE is a partnership formed by the U.S. Department of Transportation, State of Illinois, City of Chicago, Metra, AmTrak, and the nation's freight railroads.

Waybill data³ from the Surface Transportation Board show that the Chicago area rail system is a major distribution center for grain movements. What makes Chicago

relevant is its central location between the farm belt and consumption areas, and its proximity to the Mississippi River for delivery to export ports.

Chicago is an important interchange point for rail grain traffic from one railroad to another. Very few railcars travel cross-country without passing through Chicago (figure 1). More railroad tracks originate from Chicago than any other city in the United States. This is accomplished, in part, by the *Belt Railway*, the largest switching terminal railroad in the United States with 28 miles of mainline route and 300 miles of switching tracks. The Belt, as it is called, allows railroads to interchange

Figure 2: Grain and Oilseed through the Chicago Area 1996 to 2012



Source: STB's 1996-2012 Carload Waybill Sample

¹Chicago Mercantile Exchange (CME) <http://www.cmegroup.com/trading/agricultural/>

²<http://www.createprogram.org/>

³The Carload Waybill Sample (Waybill Sample) is a stratified sample of carload waybills for terminated shipments by rail carriers.

railcars with every railroad serving the Chicago area. The Belt Railway is owned by 6 of the 7 Class 1 Railroads: BNSF, CN, CP, CSX, UP and NS. Chicago is the city where one of these company's track ends and another's begins. By comparison, major grain cities like St. Louis, MO, Kansas City, MO and Memphis, TN have 5 Class I Railroads each originating their locations.

Most of the grain passing through Chicago is corn and wheat. Interestingly, there is a large difference between the quantity of grain arriving by rail and the quantity dispatched out of Chicago. This disparity, which started in 2000 and has been increasing, is mostly due to the proximity of Chicago to the corn and wheat fields; a large amount of grain is brought to the Chicago BEA¹ area elevators by truck and then loaded onto trains for shipment to the grain's final destination (figure 2). The Chicago BEA area (consisting of counties surrounding the city) is one of the top five areas in grain elevator capacity in the nation. The most common destinations from Chicago are California and Texas ports regions for grain destined for export market and feedlots, the Northeast region for milling plants, and the Illinois River for barge loading to Louisiana and the export market (table 1).

Corn	Tons	Usage
Amarillo TX	837,126	Feed lot
Houston, TX	561,948	Export market
Memphis, TN	426,366	Processing
Champaign, IL	393,458	Processing
Atlanta, GA	349,199	Chicken Feed, processing
Wheat		
Albany, NY	763,054	Milling
New York, NY	704,252	Milling
Washington-Baltimore	464,744	Milling
Harrisburg, PA	269,836	Milling
Charlotte, NC	260,116	Milling
Soybeans		
Los Angeles, CA	190,240	Export market
Champaign, IL	85,360	Processing
New Orleans, LA	83,122	Export market
Corpus Christi, TX	69,086	Export market
St Louis, MO	60,444	Miss. River access
Source: STB's 2012 Carload Waybill Sample		

Of the containerized grain movements originating in Chicago, about 90 percent travels by rail to Los Angeles, the Pacific Northwest, and Kansas City, with 67 percent destined to Los Angeles.

Chicago will remain a major link in the transport of grain primarily because of its strategic location and transportation infrastructure. Its proximity to grain elevators and its central location as a hub for six Class I railroads facilitates the transit of grain to markets and export ports on both side of the country and locations in between. pierre.bahizi@ams.usda.gov

¹ Bureau of Economic Analysis area (BEA) www.bea.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
07/09/14	263	269	227	192	192	167
07/02/14	263	260	252	210	188	156

¹Indicator: Base year 2000 = 100; Weekly updates include truck = diesel (\$/gallon); rail = near-month secondary rail market bid and monthly tariff rate with fuel surcharge (\$/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan (\$/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

* No quote for Illinois River as ice accumulation severely limited barge operations.

Table 2

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

Commodity	Origin--Destination	7/3/2014	6/27/2014
Corn	IL--Gulf	-0.74	-0.76
Corn	NE--Gulf	-0.79	-0.79
Soybean	IA--Gulf	-0.35	-0.94
HRW	KS--Gulf	-1.64	-1.64
HRS	ND--Portland	-2.32	-2.59

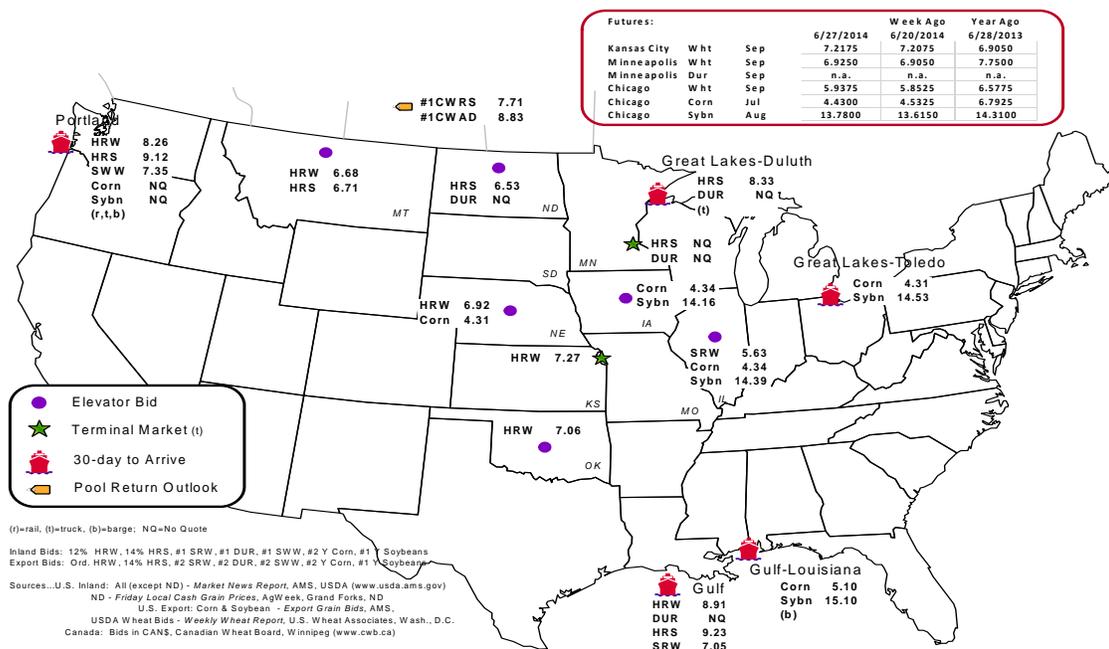
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 1

Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
7/02/2014 ^p	6	690	2,649	274	3,619	6/28/2014	1,745
6/25/2014 ^r	6	840	3,251	0	4,097	6/21/2014	2,282
2014 YTD ^r	20,280	44,879	125,463	16,001	206,623	2014 YTD	51,485
2013 YTD ^r	9,306	32,784	72,215	9,315	123,620	2013 YTD	31,398
2014 YTD as % of 2013 YTD	218	137	174	172	167	% change YTD	164
Last 4 weeks as % of 2013 ²	26	74	269	269	163	Last 4wks % 2013	201
Last 4 weeks as % of 4-year avg. ²	19	93	128	71	112	Last 4wks % 4 yr	125
Total 2013	31,646	71,388	168,826	25,176	297,036	Total 2013	70,298
Total 2012	22,604	40,780	199,419	24,659	287,462	Total 2012	92,008

¹ Data is incomplete as it is voluntarily provided

² Compared with same 4-weeks in 2013 and prior 4-year average.

³ Cross-border weekly data is approximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

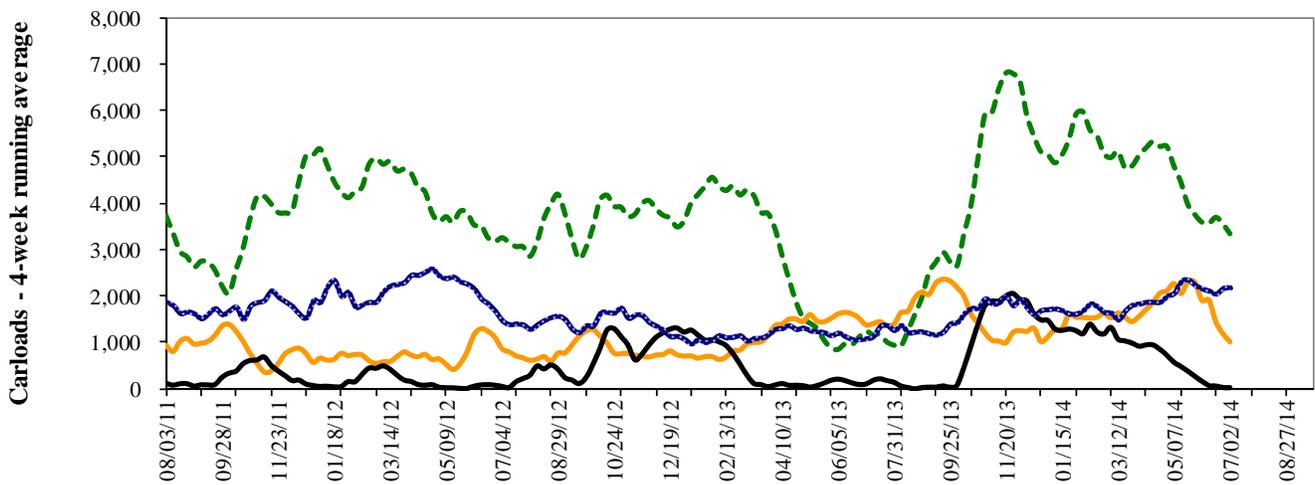
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 29 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



--- Pacific Northwest: 4 wks. ending 7/02--up 169% from same period last year; up 28% from 4-year average
--- Texas Gulf: 4 wks. ending 7/02--down 26% from same period last year; down 7% from 4-year average
--- Miss. River: 4 wks. ending 7/02--down 74% from same period last year; down 81% from 4-year average
--- Cross-border: 4 wks. ending 6/28--up 101% from same period last year; up 25% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

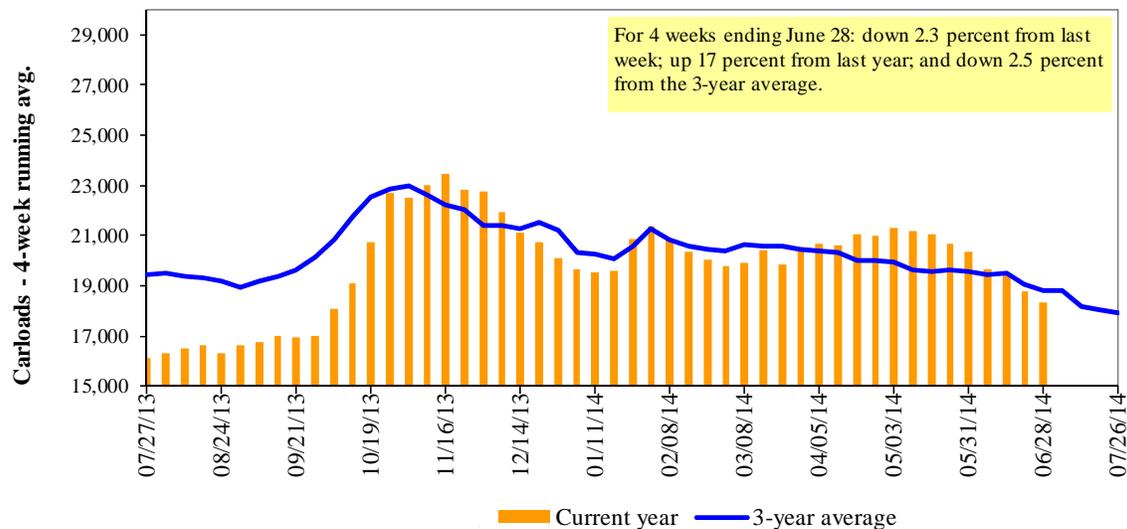
Table 4

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
06/28/14	2,061	3,013	7,555	816	4,558	18,003	4,526	5,798
This week last year	1,192	2,619	8,018	594	3,451	15,874	2,472	5,004
2014 YTD	49,835	77,391	227,063	22,883	147,488	524,660	114,030	136,864
2013 YTD	38,333	66,048	221,505	12,469	99,328	437,683	84,420	133,970
2014 YTD as % of 2013 YTD	130	117	103	184	148	120	135	102
Last 4 weeks as % of 2013	164	108	99	148	140	117	171	117
Last 4 weeks as % of 3-yr avg. ¹	136	99	87	112	101	97	141	114
Total 2013	86,466	137,915	454,262	34,412	222,258	935,313	190,125	272,753

¹As a percent of the same period in 2009 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3**Total Weekly U.S. Class I Railroad Grain Car Loadings**

Source: Association of American Railroads

Table 5

Railcar Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Jul-14	Jul-13	Aug-14	Aug-13	Sep-14	Sep-13	Oct-14	Oct-13
7/3/2014								
BNSF ³								
COT grain units	no offer	0	1517	0	no offer	0	no offer	no offer
COT grain single-car ⁵	no offer	0..1	1611..2000	0..1	no offer	0	no offer	0
UP ⁴								
GCAS/Region 1	no offer	no bids	40	no bids	no offer	no bids	n/a	n/a
GCAS/Region 2	no offer	no bids	229	no bids	no offer	no bids	n/a	n/a

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

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

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

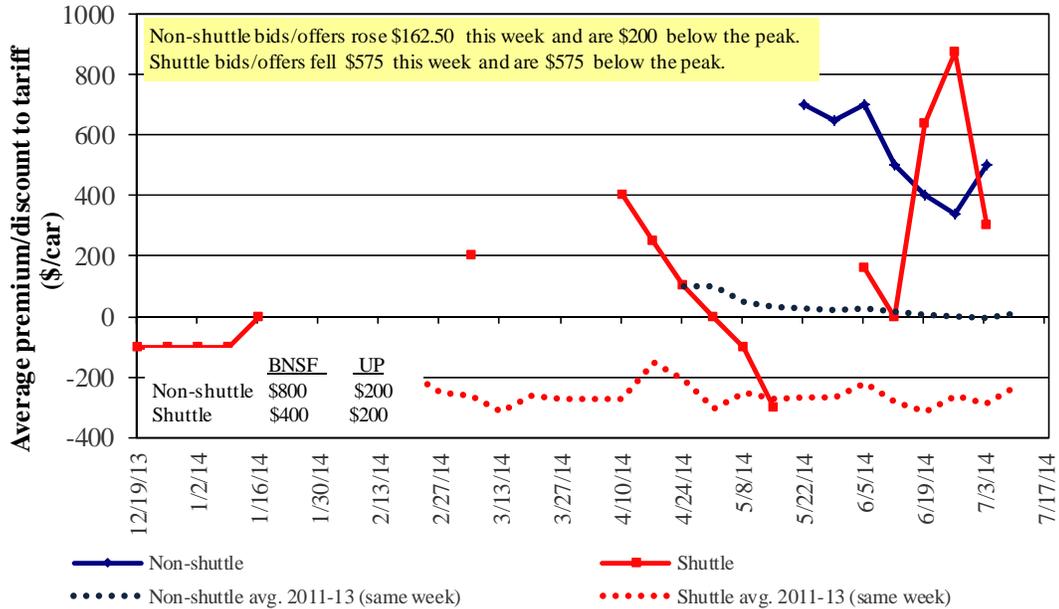
⁵Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

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

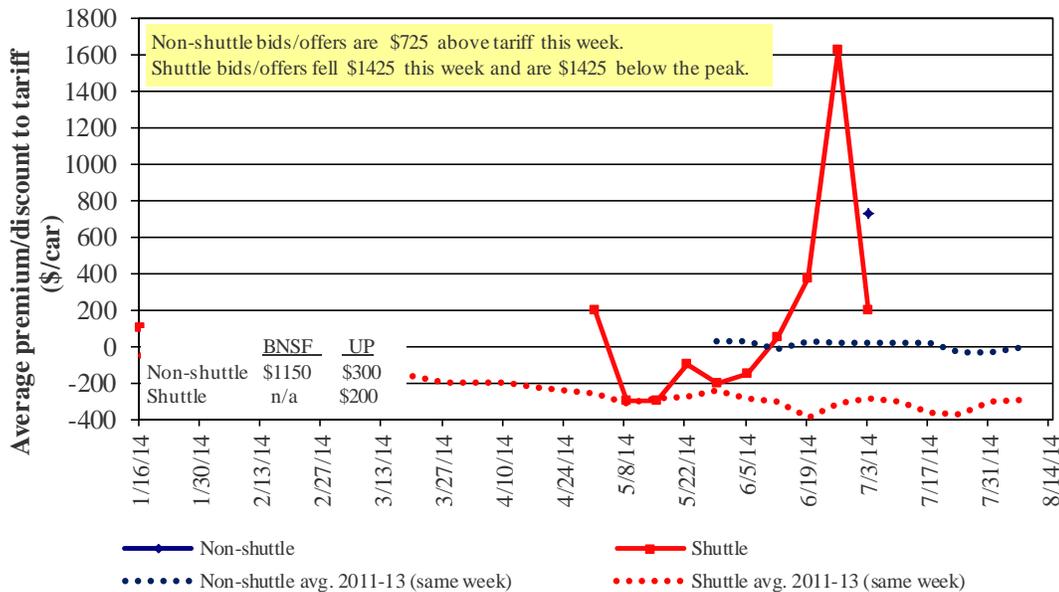


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

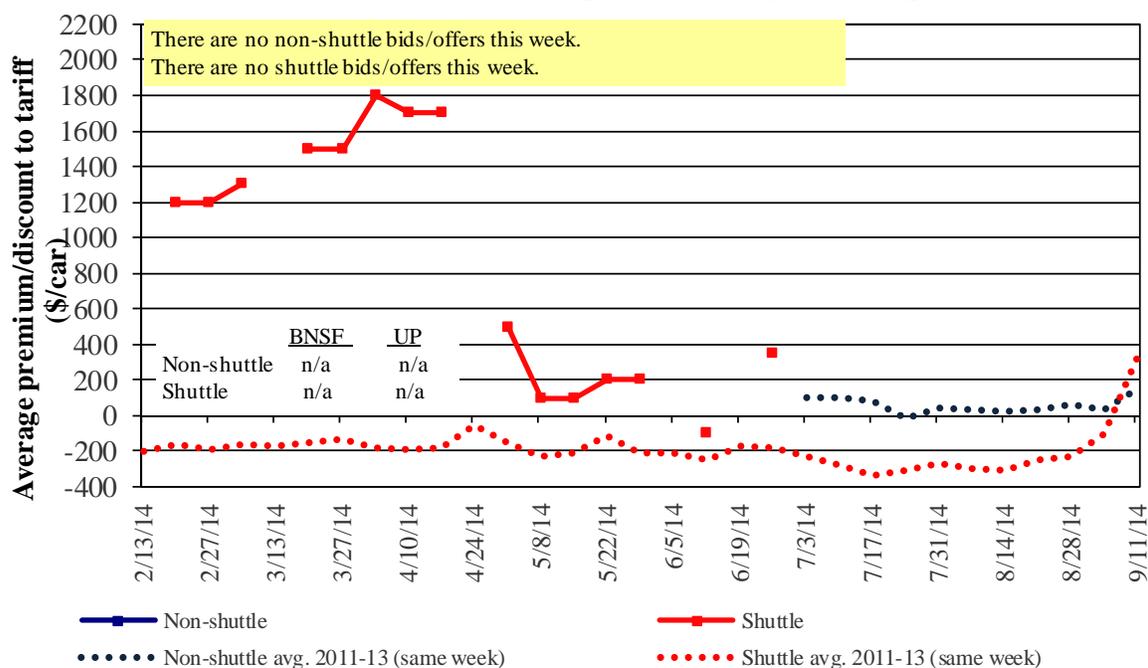


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

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



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market (\$/car)¹

Week ending	Delivery period					
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Non-shuttle						
BNSF-GF	800	1,150	n/a	n/a	n/a	n/a
Change from last week	200	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	799	n/a	n/a	n/a	n/a	n/a
UP-Pool	200	300	n/a	1,200	n/a	n/a
Change from last week	125	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	200	275	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	400	n/a	n/a	n/a	n/a	n/a
Change from last week	(1,000)	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	552	n/a	n/a	n/a	n/a	n/a
UP-Pool	200	200	n/a	n/a	n/a	n/a
Change from last week	(150)	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	350	300	n/a	n/a	n/a	n/a

¹ Average premium/discount to tariff, \$/car-last week

² Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

n/a = not available; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:			Tariff	Fuel	Tariff plus surcharge per:		Percent
7/1/2014	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	\$3,387	\$187	\$35.49	\$0.97	6
	Grand Forks, ND	Duluth-Superior, MN	\$3,596	\$110	\$36.80	\$1.00	2
	Wichita, KS	Los Angeles, CA	\$6,244	\$566	\$67.63	\$1.84	0
	Wichita, KS	New Orleans, LA	\$4,026	\$329	\$43.25	\$1.18	5
	Sioux Falls, SD	Galveston-Houston, TX	\$5,824	\$465	\$62.45	\$1.70	0
	Northwest KS	Galveston-Houston, TX	\$4,293	\$361	\$46.21	\$1.26	5
	Amarillo, TX	Los Angeles, CA	\$4,492	\$502	\$49.59	\$1.35	5
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,192	\$372	\$35.39	\$0.90	3
	Toledo, OH	Raleigh, NC	\$4,686	\$424	\$50.75	\$1.29	4
	Des Moines, IA	Davenport, IA	\$2,078	\$79	\$21.42	\$0.54	4
	Indianapolis, IN	Atlanta, GA	\$4,061	\$319	\$43.49	\$1.10	4
	Indianapolis, IN	Knoxville, TN	\$3,469	\$204	\$36.48	\$0.93	3
	Des Moines, IA	Little Rock, AR	\$3,218	\$232	\$34.26	\$0.87	2
	Des Moines, IA	Los Angeles, CA	\$5,215	\$675	\$58.49	\$1.49	3
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,434	\$410	\$38.17	\$1.04	3
	Toledo, OH	Huntsville, AL	\$3,687	\$301	\$39.61	\$1.08	3
	Indianapolis, IN	Raleigh, NC	\$4,756	\$427	\$51.47	\$1.40	4
	Indianapolis, IN	Huntsville, AL	\$3,379	\$204	\$35.58	\$0.97	3
	Champaign-Urbana, IL	New Orleans, LA	\$3,748	\$372	\$40.92	\$1.11	4
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,678	\$326	\$39.76	\$1.08	3
	Wichita, KS	Galveston-Houston, TX	\$3,471	\$253	\$36.99	\$1.01	-8
	Chicago, IL	Albany, NY	\$3,950	\$398	\$43.18	\$1.18	5
	Grand Forks, ND	Portland, OR	\$5,159	\$562	\$56.82	\$1.55	2
	Grand Forks, ND	Galveston-Houston, TX	\$6,084	\$586	\$66.23	\$1.80	1
	Northwest KS	Portland, OR	\$5,260	\$592	\$58.11	\$1.58	4
	Minneapolis, MN	Portland, OR	\$5,000	\$685	\$56.45	\$1.43	4
Corn	Sioux Falls, SD	Tacoma, WA	\$4,960	\$627	\$55.48	\$1.41	4
	Champaign-Urbana, IL	New Orleans, LA	\$3,011	\$372	\$33.60	\$0.85	3
	Lincoln, NE	Galveston-Houston, TX	\$3,510	\$366	\$38.49	\$0.98	6
	Des Moines, IA	Amarillo, TX	\$3,590	\$291	\$38.54	\$0.98	2
	Minneapolis, MN	Tacoma, WA	\$5,000	\$679	\$56.40	\$1.43	4
	Council Bluffs, IA	Stockton, CA	\$4,400	\$703	\$50.67	\$1.29	5
	Sioux Falls, SD	Tacoma, WA	\$5,520	\$627	\$61.04	\$1.66	4
Soybeans	Minneapolis, MN	Portland, OR	\$5,530	\$685	\$61.72	\$1.68	4
	Fargo, ND	Tacoma, WA	\$5,430	\$558	\$59.46	\$1.62	4
	Council Bluffs, IA	New Orleans, LA	\$4,175	\$429	\$45.72	\$1.24	5
	Toledo, OH	Huntsville, AL	\$2,862	\$301	\$31.41	\$0.85	4
	Grand Island, NE	Portland, OR	\$5,110	\$606	\$56.76	\$1.54	3

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 surcharge per car ²	Tariff plus surcharge per:		Percent change Y/Y ⁴
					metric ton ³	bushel ³	
Wheat	MT	Chihuahua, CI	\$6,460	\$595	\$72.09	\$1.96	3
	OK	Cuautitlan, EM	\$6,315	\$723	\$71.90	\$1.95	-5
	KS	Guadalajara, JA	\$6,899	\$698	\$77.63	\$2.11	-15
	TX	Salinas Victoria, NL	\$3,798	\$272	\$41.59	\$1.13	30
Corn	IA	Guadalajara, JA	\$7,974	\$821	\$89.86	\$2.28	4
	SD	Celaya, GJ	\$7,656	\$778	\$86.18	\$2.19	4
	NE	Queretaro, QA	\$7,353	\$729	\$82.59	\$2.10	3
	SD	Salinas Victoria, NL	\$5,880	\$592	\$66.12	\$1.68	3
	MO	Tlalnepantla, EM	\$6,712	\$709	\$75.82	\$1.92	2
	SD	Torreon, CU	\$6,722	\$652	\$75.34	\$1.91	3
Soybeans	MO	Bojay (Tula), HG	\$7,868	\$693	\$87.46	\$2.38	4
	NE	Guadalajara, JA	\$8,447	\$792	\$94.40	\$2.57	4
	IA	El Castillo, JA	\$8,855	\$774	\$98.38	\$2.67	4
	KS	Torreon, CU	\$6,864	\$491	\$75.15	\$2.04	3
Sorghum	TX	Guadalajara, JA	\$6,953	\$507	\$76.22	\$1.93	7
	NE	Celaya, GJ	\$7,212	\$707	\$80.91	\$2.05	3
	KS	Queretaro, QA	\$6,650	\$444	\$72.48	\$1.84	-2
	NE	Salinas Victoria, NL	\$5,368	\$520	\$60.15	\$1.53	-1
	NE	Torreon, CU	\$6,243	\$580	\$69.72	\$1.77	2

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

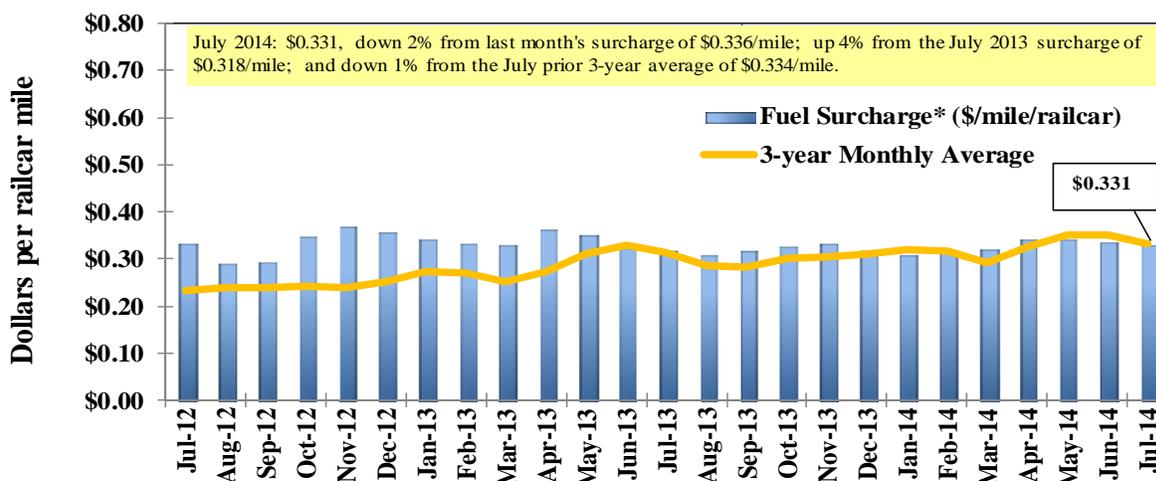
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

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

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

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

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

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

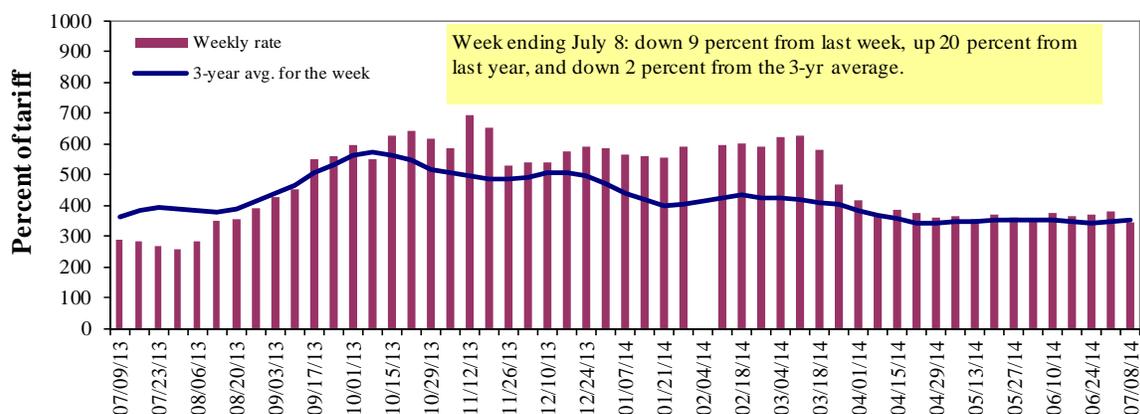
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

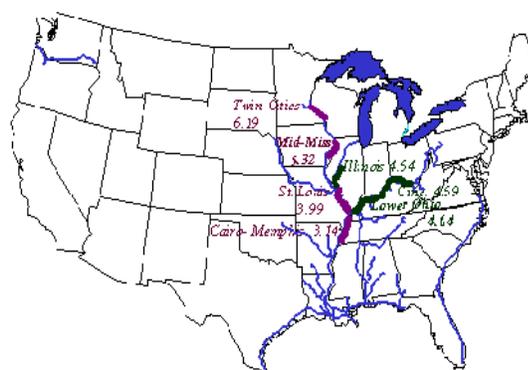
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid- Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo- Memphis
Rate¹	7/8/2014	-	-	345	245	243	243	208
	7/1/2014	-	-	378	260	243	243	213
\$/ton	7/8/2014	-	-	16.01	9.78	11.40	9.82	6.53
	7/1/2014	-	-	17.54	10.37	11.40	9.82	6.69
Current week % change from the same week:								
	Last year	-	-	20	8	15	15	8
	3-year avg. ²	-	-	-2	-13	-16	-17	-14
Rate¹	August	460	420	423	375	375	375	355
	October	638	638	645	608	648	648	580

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds; - no rates reported due to flooding

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



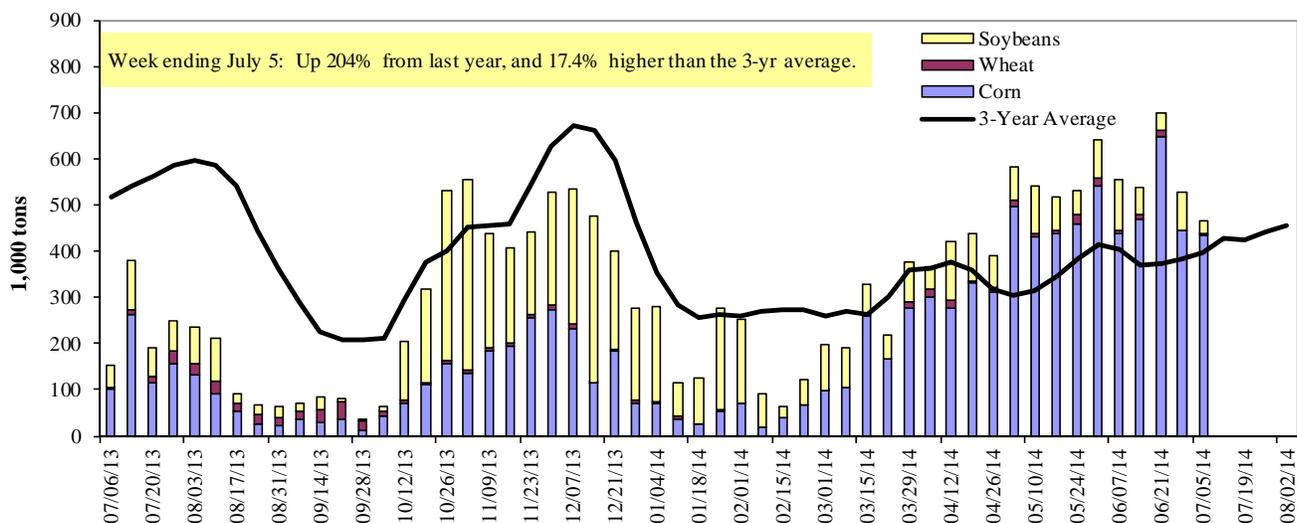
Calculating barge rate per ton:

$(\text{Index} * 1976 \text{ tariff benchmark rate per ton}) / 100$

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Figure 10

Barge Movements on the Mississippi River¹ (Locks 27 - Granite City, IL)



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

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

Week ending 7/5/2014	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	20	0	0	0	20
Winfield, MO (L25)	128	0	15	5	148
Alton, IL (L26)	456	0	28	5	489
Granite City, IL (L27)	435	2	28	5	469
Illinois River (L8)	203	0	3	0	206
Ohio River (L52)	104	77	16	0	197
Arkansas River (L1)	0	27	0	0	27
Weekly total - 2014	539	106	44	5	693
Weekly total - 2013	151	158	67	0	376
2014 YTD ¹	12,100	1,088	4,711	117	18,016
2013 YTD	4,259	2,039	3,968	117	10,382
2014 as % of 2013 YTD	284	53	119	100	174
Last 4 weeks as % of 2013 ²	250	63	76	-	176
Total 2013	9,504	4,111	10,065	255	23,935

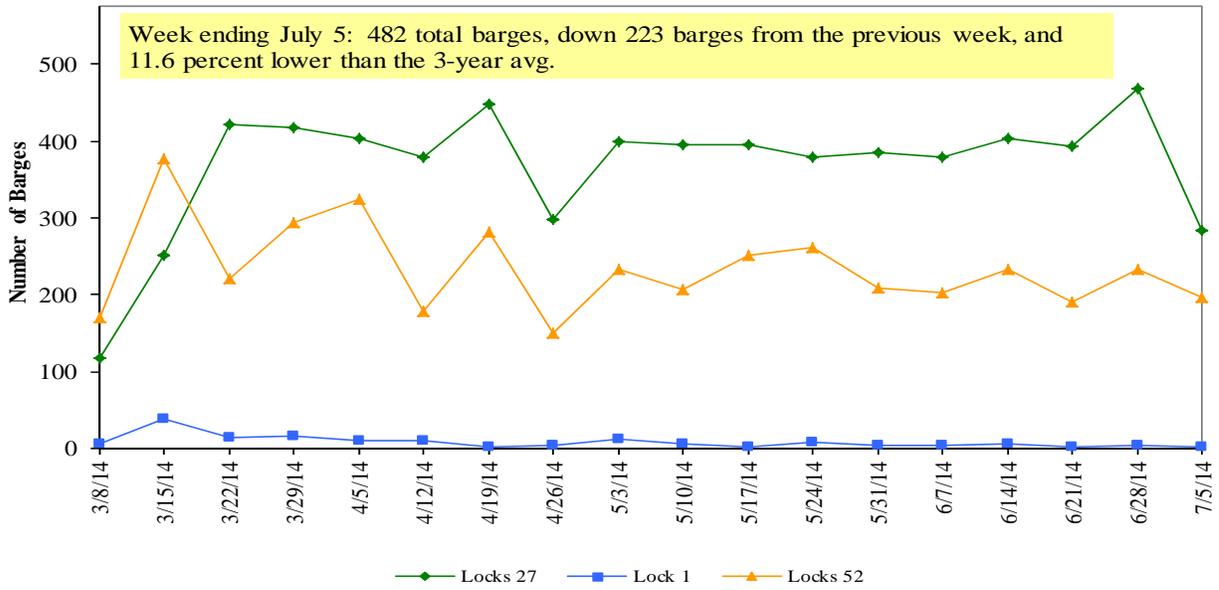
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

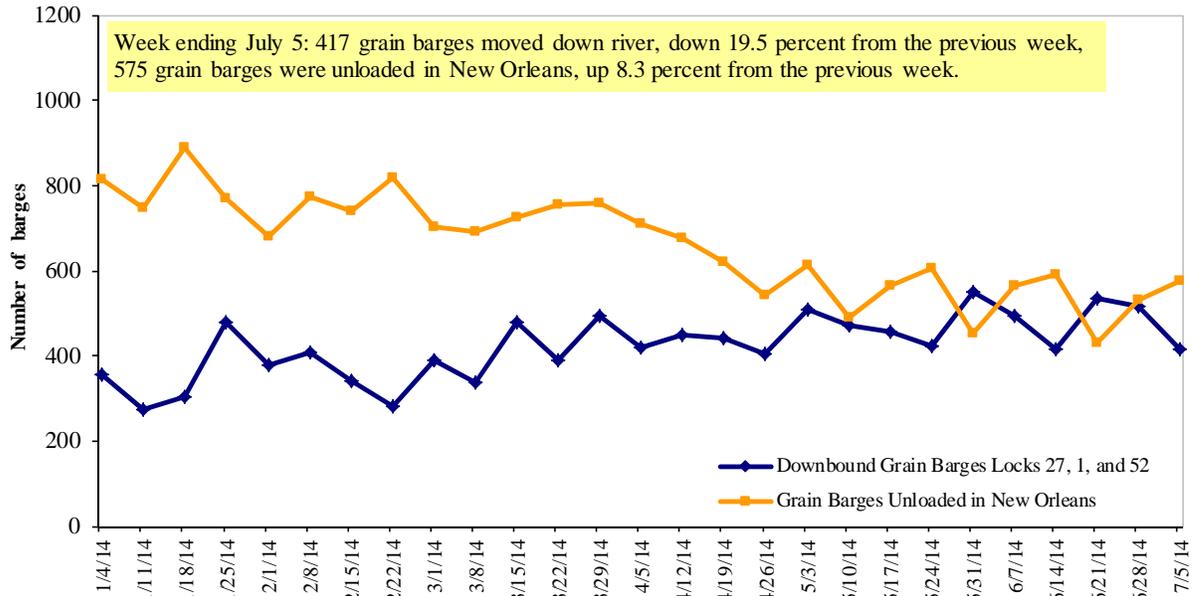
Source: U.S. Army Corps of Engineers

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



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 7/7/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.978	-0.005	0.147
	New England	4.098	-0.009	0.133
	Central Atlantic	4.069	-0.004	0.174
	Lower Atlantic	3.882	-0.005	0.125
II	Midwest ²	3.862	-0.007	0.041
III	Gulf Coast ³	3.802	-0.014	0.049
IV	Rocky Mountain	3.909	-0.008	0.098
V	West Coast	4.067	-0.006	0.116
	West Coast less California	3.985	-0.009	0.121
	California	4.135	-0.003	0.109
Total	U.S.	3.913	-0.007	0.085

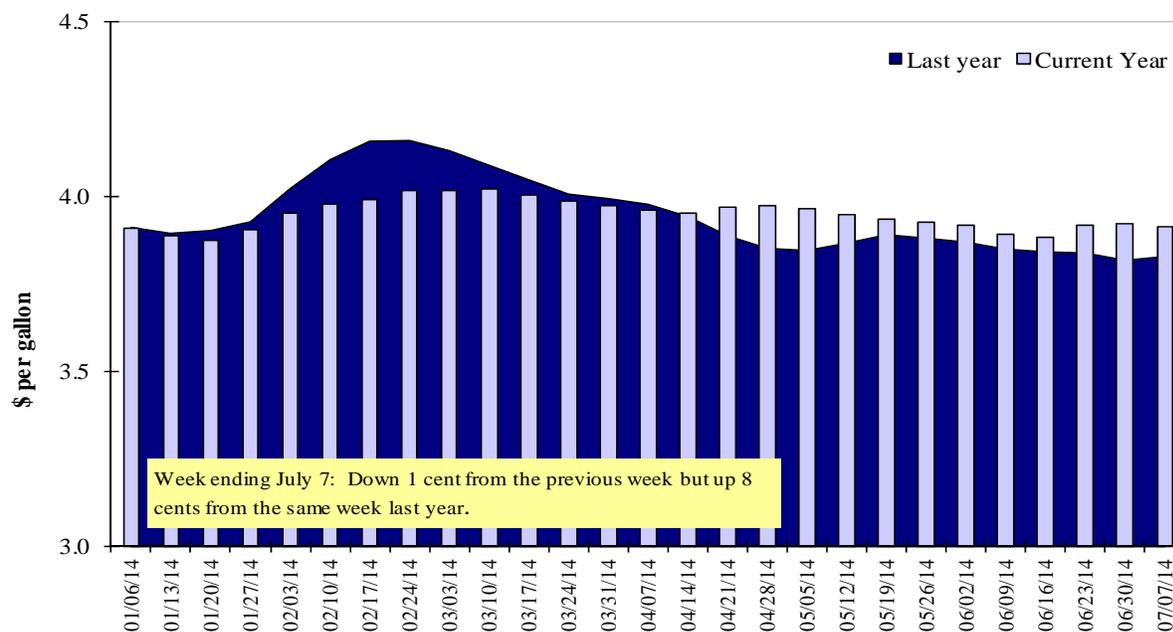
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
6/26/2014	1,705	1,118	2,170	927	134	6,054	9,252	2,023	17,329
This week year ago	2,023	2,546	1,314	1,030	89	7,002	3,111	1,408	11,521
Cumulative exports-marketing year²									
2013/14 YTD	646	163	613	321	32	1,745	37,961	43,493	83,199
2012/13 YTD	937	738	400	76	12	2,163	15,056	35,435	52,654
YTD 2013/14 as % of 2012/13	69	22	153	422	267	81	252	123	158
Last 4 wks as % of same period 2012/13	86	42	161	98	149	86	334	142	160
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year begins for wheat

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 06/26/2014	Total Commitments ²			% change current MY from last MY	Exports ³ 2012/13
	2014/15 Next MY	2013/14 Current MY	2012/13 Last MY		
		- 1,000 mt -			- 1,000 mt -
Japan	1,221	10,803	6,702	61	7,000
Mexico	1,582	10,377	4,214	146	4,370
China	8	2,992	2,474	21	2,450
Korea	1	4,157	418	895	416
Taiwan	1	1,848	472	292	512
Top 5 Importers	2,812	30,176	14,279	111	14,748
Total US corn export sales	3,875	47,213	18,168	160	18,690
% of Projected	9%	98%	97%		
Change from prior week	475	291	233		
Top 5 importers' share of U.S. corn export sales	73%	64%	79%		79%
USDA forecast, June 2014	43,180	48,260	18,690	158	
Corn Use for Ethanol USDA forecast, June 2014	128,270	128,270	118,059	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 (Carry-over plus Accumulated Exports)

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 06/26/2014	Total Commitments ²			% change current MY from last MY	Exports ³ 2012/13
	2014/15 Next MY	2013/14 Current MY	2012/13 Last MY		
		- 1,000 mt -			- 1,000 mt -
China	6,276	27,599	21,596	28	21,522
Mexico	311	3,278	2,536	29	2,565
Japan	235	1,871	1,767	6	1,751
Indonesia	210	2,277	1,579	44	1,682
Taiwan	33	1,200	1,115	8	1,120
Top 5 importers	7,064	36,225	28,593	27	28,641
Total US soybean export sales	10,765	45,516	36,843	24	35,910
% of Projected	24%	105%	103%		
Change from prior week	458	41	121		
Top 5 importers' share of U.S. soybean export sales	66%	80%	78%		
USDA forecast, June 2014	44,230	43,550	35,910	21	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--
http://www.fas.usda.gov/esrquery/³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 06/26/2014	Total Commitments ²		% change current MY from last MY	Exports ³ 2013/14
	2014/15 Current MY	2013/14 Last MY		
		- 1,000 mt -		- 1,000 mt -
China	119	1,829	(93)	4,213
Brazil	901	866	4	4,211
Mexico	979	989	(1)	2,940
Japan	783	733	7	2,674
Nigeria	460	576	(20)	2,629
Philippines	591	475	24	2,013
Korea	483	181	166	1,287
Indonesia	259	40	547	1,076
Taiwan	301	172	75	980
Colombia	156	240	(35)	783
Top 10 importers	5,030	6,101	(18)	22,808
Total US wheat export sales	7,829	9,164	(15)	32,110
% of Projected	31%	29%		
Change from prior week	568	593		
Top 10 importers' share of U.S. wheat export sales	64%	67%		71%
USDA forecast, June 2014	25,170	32,110	(22)	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/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 07/03/14	Previous Week ¹	Current Week as % of Previous	2014 YTD ¹	2013 YTD ¹	2014 YTD as % of 2013 YTD	Last 4-weeks as % of		Total ¹ 2013
							2013	3-yr. avg.	
Pacific Northwest									
Wheat	238	172	139	6,931	5,806	119	161	122	11,585
Corn	200	219	91	4,800	1,285	374	3,182	157	2,973
Soybeans	0	0	n/a	4,492	3,762	119	55,800	7	9,090
Total	438	391	112	16,224	10,853	149	294	120	23,647
Mississippi Gulf									
Wheat	134	61	222	2,393	4,689	51	54	74	9,711
Corn	637	565	113	17,625	5,646	312	316	187	14,828
Soybeans	31	18	174	10,174	7,276	140	65	60	21,462
Total	802	644	125	30,192	17,612	171	167	139	46,002
Texas Gulf									
Wheat	51	93	54	3,619	4,408	82	60	60	9,039
Corn	0	0	n/a	346	126	274	265	123	255
Soybeans	0	0	n/a	258	122	211	n/a	0	908
Total	51	93	54	4,222	4,657	91	65	63	10,203
Interior									
Wheat	9	22	41	638	514	124	226	84	1,244
Corn	118	85	139	2,886	1,373	210	154	111	3,943
Soybeans	27	41	66	2,048	1,700	120	353	94	3,212
Total	155	148	104	5,573	3,587	155	77	103	8,399
Great Lakes									
Wheat	0	9	0	223	434	51	506	138	884
Corn	29	0	n/a	70	0	n/a	n/a	0	0
Soybeans	0	0	n/a	51	22	229	122	98	699
Total	29	9	311	344	456	75	296	118	1,583
Atlantic									
Wheat	6	3	177	163	398	41	68	52	645
Corn	56	0	n/a	431	2	n/a	n/a	1,052	242
Soybeans	1	3	34	991	692	143	113	64	1,652
Total	63	6	1,041	1,585	1,092	145	226	145	2,540
U.S. total from ports²									
Wheat	438	360	122	13,967	16,250	86	154	121	33,108
Corn	1,040	870	120	26,159	8,432	310	353	166	22,241
Soybeans	60	62	96	18,014	13,576	133	10	10	37,024
Total	1,537	1,292	119	58,140	38,257	152	96	80	92,373

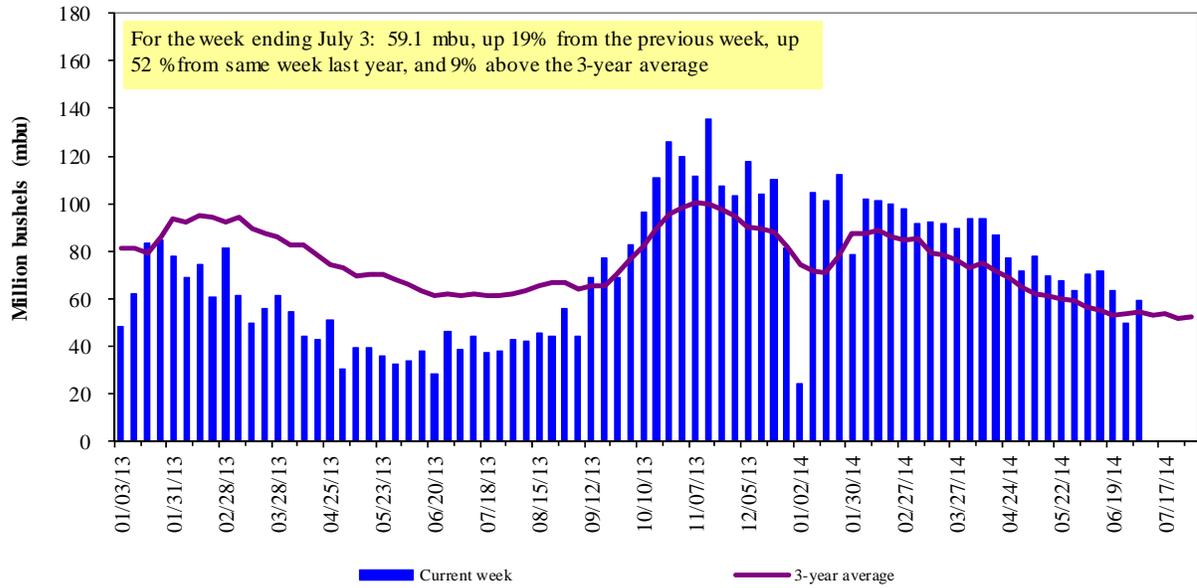
¹Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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

Figure 14

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

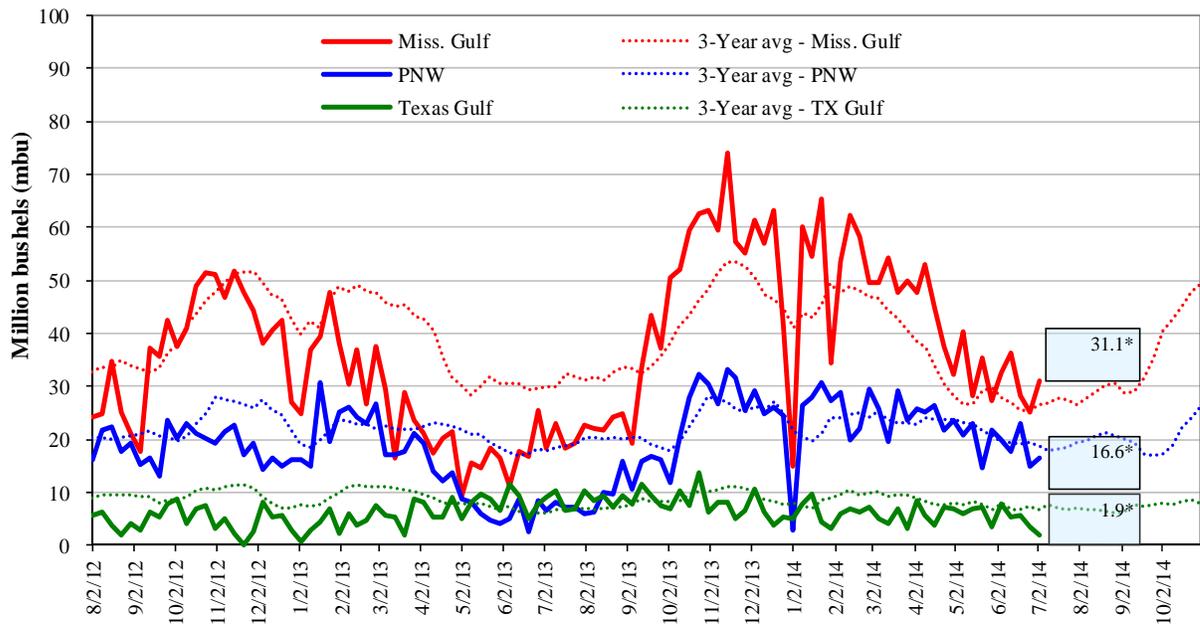


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW¹ (wheat, corn, and soybeans)



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

July 3: % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	up 24	down 46	up 16	up 11
Last year (same week)	up 69	down 80	up 20	up 151
3-yr avg. (4-wk mov. avg.)	up 32	down 76	up 6	up 19

Ocean Transportation

Table 17

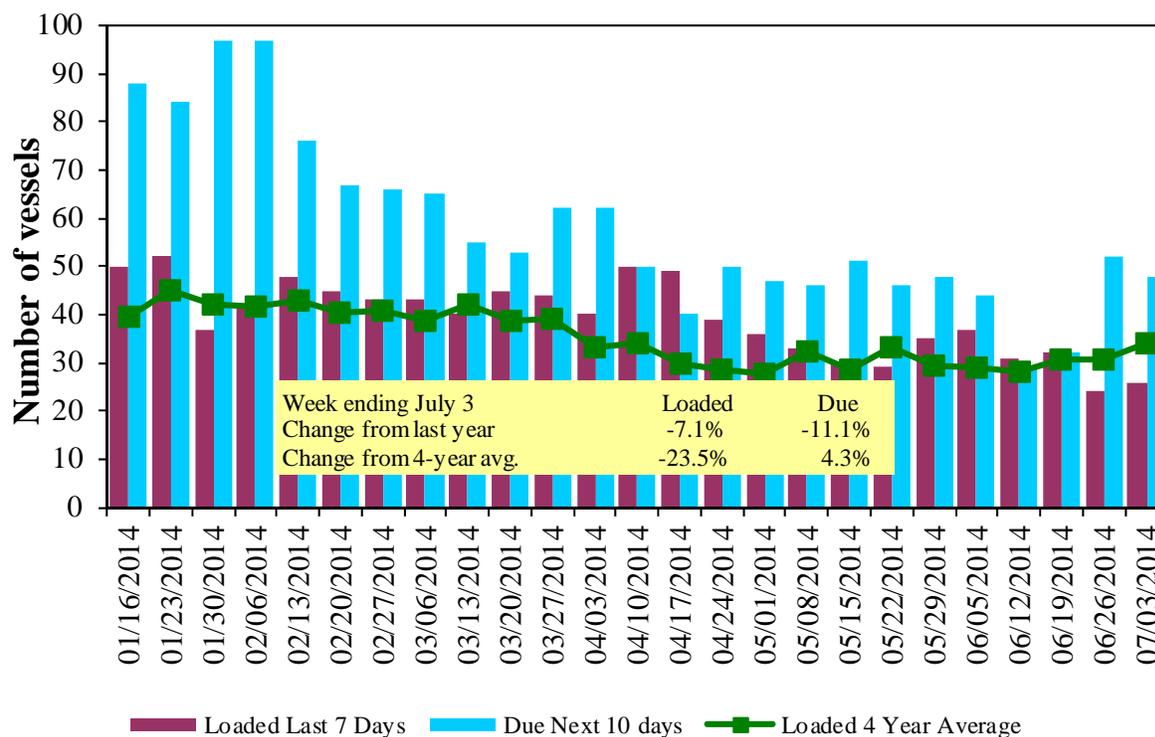
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/3/2014	32	26	48	11	n/a
6/26/2014	28	24	52	12	n/a
2013 range	(16..60)	(20..56)	(31..81)	(0..24)	n/a
2013 avg.	32	33	51	12	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity

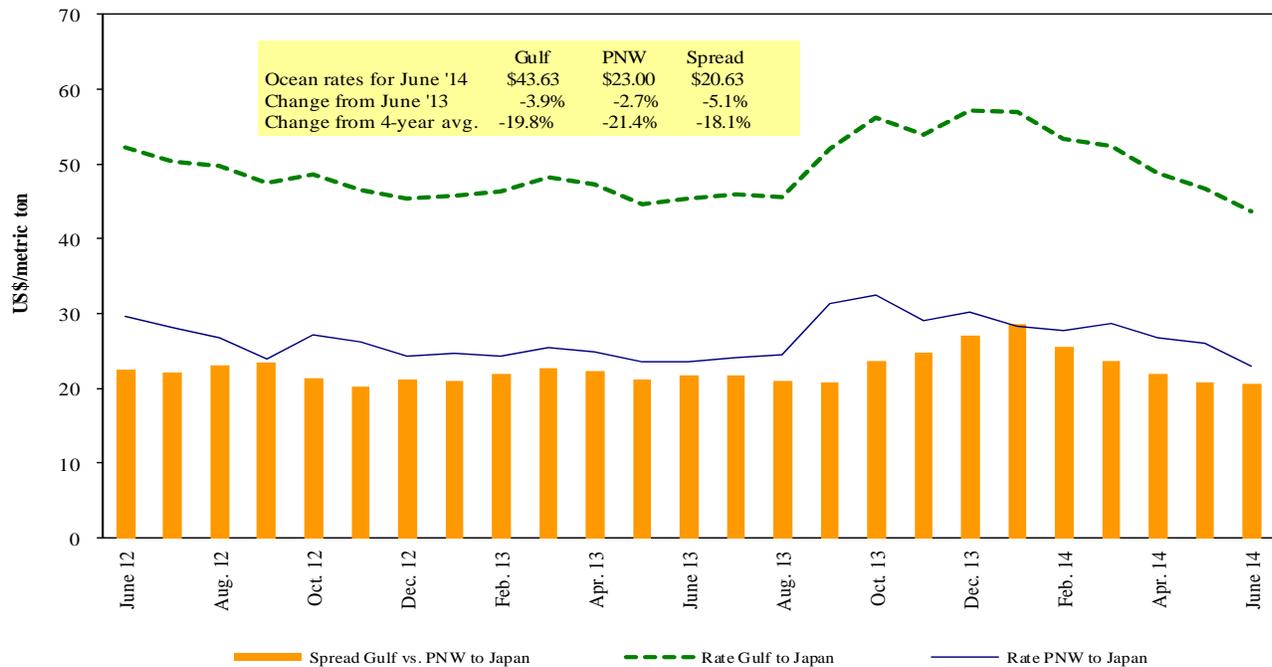


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Data Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 07/05/2014

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Grain	Aug 1/10	50,000	49.25
U.S. Gulf	China	Heavy Grain	Jul 1/10	58,000	41.00
U.S. Gulf	China	Grain	Jul 1/7	60,000	43.50
U.S. Gulf	Abidjan ¹	Wheat	Jul 10/20	6,800	135.65
PNW	Philippines	Grain	Aug 1/15	65,000	22.50
Brazil	China	Grain	Aug 1/30	65,000	35.50
Brazil	China	Heavy Grain	Aug 1/5	60,000	40.00
Brazil	China	Grain	Jul 25/31	60,000	31.50
Brazil	China	Grain	Jul 22/31	60,000	32.00
Brazil	China	Heavy Grain	Jul 15/Aug 15	60,000	40.00
Brazil	China	Heavy Grain	Jul 10/20	60,000	33.75
France	Algeria	Wheat	May 9/12	23,750	23.50
France	Algeria	Wheat	Apr 5/10	23,000	26.00
Hamburg	Iran	Wheat	May 16/28	60,000	38.00
River Plate	Romania	SoybeanMeal	Jun 17/20	20,000	40.00
River Plate	China	Heavy Grain	Aug 1/31	60,000	44.50
River Plate	China	Grain	Jul 20/30	60,000	37.00
River Plate	Morocco	Corn	Jul 3/5	30,000	29.00
Ukraine	Tunisia	Wheat	May 15/18	25,000	19.00
Ukraine	Saudi Arabia	Heavy Grain	Apr 15/25	60,000	21.85

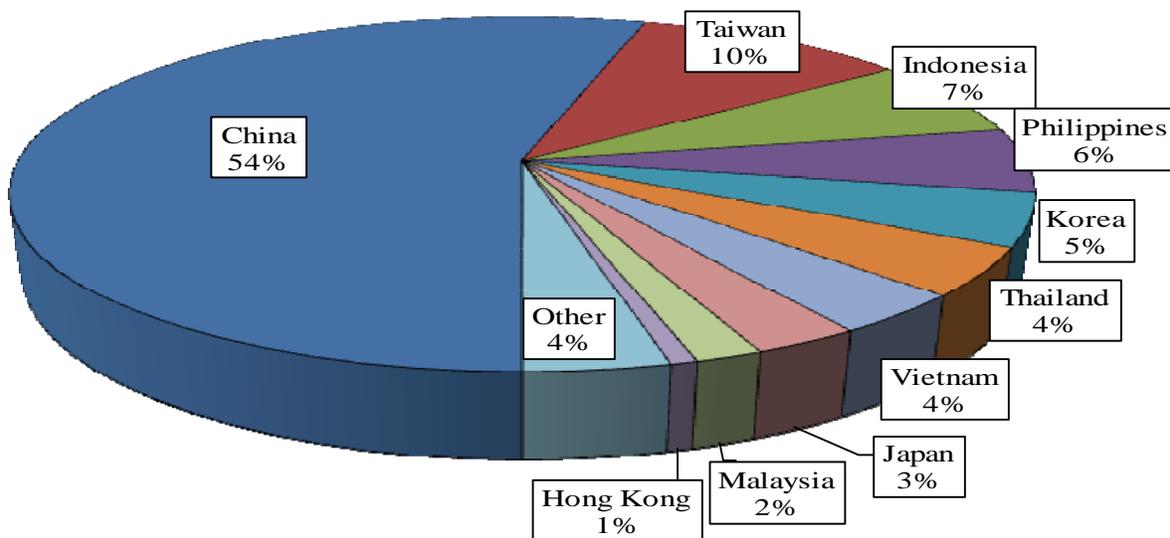
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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 2012, containers were used to transport 8 percent of total U.S. waterborne grain exports, up 1 percentage point from 2011. Approximately 66 percent of U.S. waterborne grain exports in 2012 went to Asia, of which 11 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—96 percent in 2012.

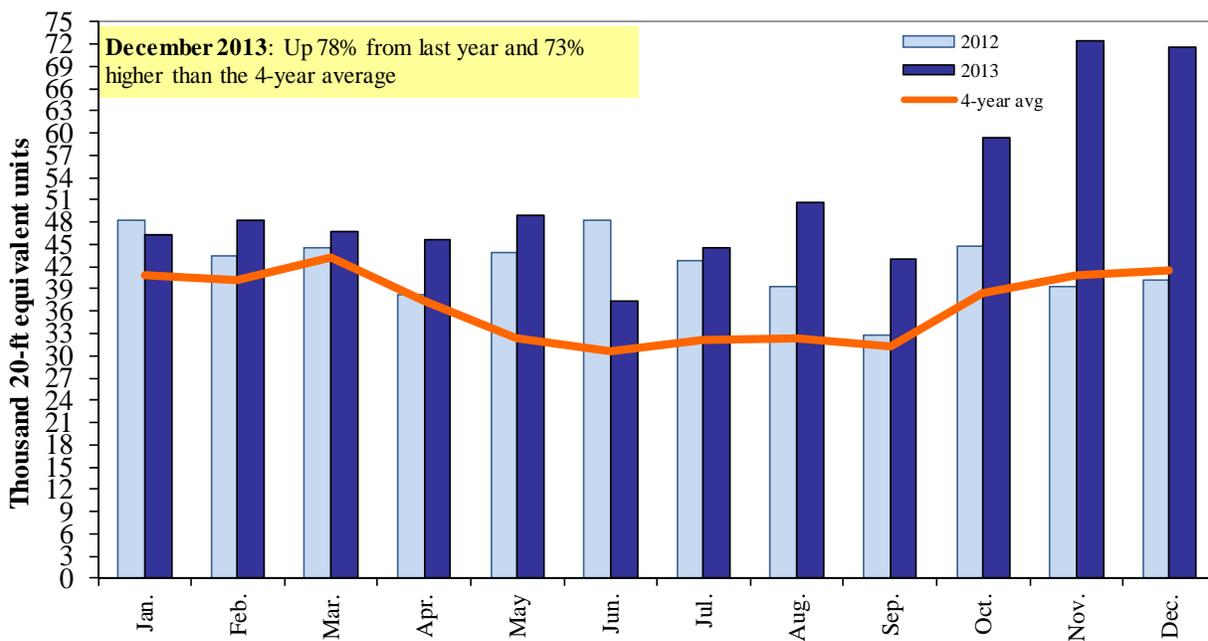
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2013



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

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

Figure 19
Monthly Shipments of Containerized Grain to Asia



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

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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