



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 17, 2014

WEEKLY HIGHLIGHTS

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River Traffic Resumes After Floods

By July 16, all locks on the Mississippi River are open. One final obstacle remains: post-flood maintenance work is needed on the Louisiana Railroad Bridge which crosses the Mississippi River between Louisiana, MO, and Pike County, IL. Rail traffic on the bridge is operating normally, but additional work is needed to allow barge traffic to pass through the swing bridge portion. Assuming river levels continue to fall, and the bridge is cleaned and maintained, barge traffic will be able to travel the entire navigable portion of the Mississippi River by July 17 or July 18. Barge operators have indicated that the reopening of the locks has increased the barge demand for the current week. As of July 15, barge rates for Minneapolis-St. Paul to New Orleans were \$31.45 per ton, 18 percent higher than before the flood began 3 weeks ago. Lower Illinois River barge rates were \$18.79 per ton, a 17 percent increase over last week.

West Coast Longshore Labor Negotiations Continue Without Disruption to Cargo Movements

After a temporary break July 8–10, the International Longshore and Warehouse Union (ILWU) and Pacific Maritime Association (PMA) resumed negotiations on Friday, July 11, and negotiations continued this week. At this time, both sides have agreed to continue working and negotiating in good faith without a contract in place. Cargo is moving smoothly through the ports. The truck driver protests that took place Monday to Thursday of last week at the Ports of Los Angeles and Long Beach ceased after the Mayor of Los Angeles, Eric Garcetti, stepped in to persuade truckers to take a “cooling off period” after agreeing to further investigate their allegations of injustice and retaliatory practices by three port drayage trucking companies in question.

Total Grain Inspections Down but Soybeans Rebound

For the week ending July 10, total inspections of grain (corn, wheat, and soybeans) from all major export regions rose, reaching 1.41 million metric tons (mmt), still down 22 percent from the previous week but 20 percent above last year. Inspections of wheat and corn dropped 20 and 26 percent from the previous week. Despite the drop in total grain inspections, soybean inspections rebounded, increasing 28 percent as demand from Asia increased. Total inspections were also down in the Mississippi Gulf and Pacific Northwest. Inspections jumped 88 percent in the Texas Gulf as wheat inspections to Latin America and the Middle East increased. Outstanding (unshipped) export sales were down for corn, wheat, and soybeans, but remain above last year for corn and soybeans.

Growth Energy Requests That STB Address Standard Ethanol Service

On July 7, Growth Energy, which represents the interests of ethanol producers and supporters, sent a letter to the Surface Transportation Board (STB) outlining the ethanol industry’s concerns about rail shipment delays. Because more than 61 percent of all ethanol is delivered by rail, the letter stated that rail service issues should be directly addressed and given the same priority as grain shipments.

Snapshots by Sector

Rail

U.S. railroads originated 18,121 **carloads of grain** during the week ending July 5, up 0.7 percent from last week, up 22 percent from last year and down 2 percent from the 3-year average.

During the week ending July 10, average July non-shuttle **secondary railcar bids/offers per car** were \$850 above tariff, up \$350 from last week and \$849.50 higher than last year. Average shuttle secondary railcar bids/offers per car were \$1,900 above tariff, up \$1,600 from last week and \$2,000 higher than last year.

Barge

During the week ending July 12 **barge grain movements** totaled 491,048 tons—29.2 percent lower than the previous week and 19.6 percent lower than the same period last year.

During the week ending July 12, 322 grain barges **moved down river**, down 22.8 percent from last week; 600 grain barges were **unloaded in New Orleans**, up 4.3 percent from the previous week.

Ocean

During the week ending July 10, 31 **ocean-going grain vessels** were loaded in the Gulf, 24 percent more than the same period last year. Forty-one vessels are expected to be loaded within the next 10 days, 16 percent less than the same period last year.

During the week ending July 11, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$43 per mt, unchanged from the previous week. The cost of shipping from the PNW to Japan was \$24 per mt, up 2 percent from the previous week.

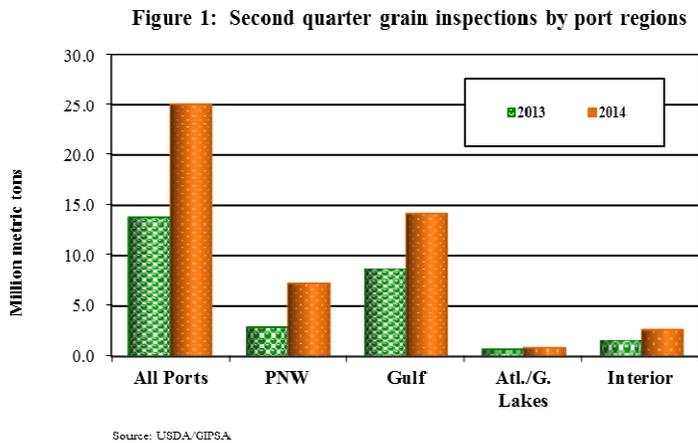
Fuel

During the week ending July 14, U.S. average **diesel fuel prices** decreased 2 cents from the previous week to \$3.89 per gallon—up 3 cents from the same week last year.

Feature Article/Calendar

Corn and Soybeans Help Boost Second Quarter Grain Inspections

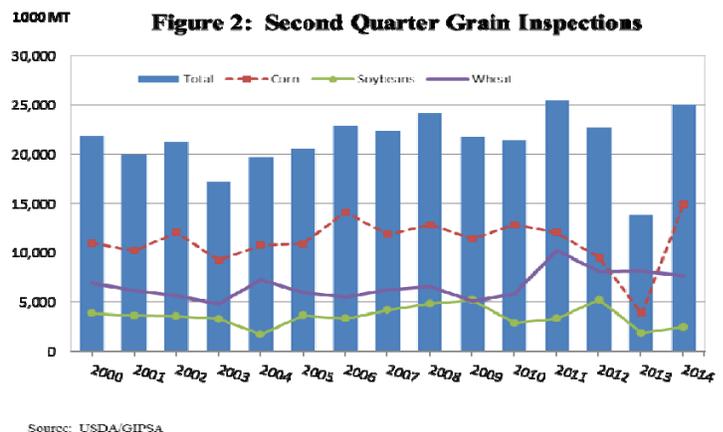
Increased U.S. corn production and rising demand for corn helped boost total inspections of grain during the second quarter 2014 (*figure 1*). Total second quarter grain (wheat, corn, and soybeans) inspected for export from all U.S. ports reached 25.05 million metric tons (mmt) according to USDA's Grain Inspection, Packers and Stockyards Administration (GIPSA). Total inspections increased 81 percent from last year and were 19 percent above the 5-year average. Second quarter corn inspections jumped as shipments to Asia and Latin America rebounded. Inspections of soybeans also rose during the second quarter but were below the 5-year average. Soybean inspections increased despite tight supplies. Wheat inspections however, decreased from last year during the second quarter. The short term outlook projects slower wheat shipments due to projected large world supplies and strong competition in the export market. The unshipped sales of corn and soybeans indicate steady demand for transportation (*GTR Tables 12*).



Grain inspections rose in each of the major export regions, boosted by increased U.S. production of corn and soybeans in the fall of 2013 (see *figure 1*). Pacific Northwest (PNW) grain inspections reached 7.35 mmt, up 159 percent from last year and 14 percent above the 5-year average. The large increase is also reflected in PNW rail deliveries to ports, which increased 122 percent from last year during the second quarter. Unlike last year, a 36-percent jump in second-quarter rail deliveries to Gulf ports correlated with increased grain inspections in the Gulf. A rise in Mississippi Gulf barge

movements also helped push U.S. Gulf grain inspections to 14.25 mmt, up 64 percent from last year and 21 percent above the 5-year average. Transportation implications indicate barge having an increasing share of corn and soybean export movements over the 5-year averages (*see Modal Share Study, May 2013*). Second quarter Atlantic/Great Lakes inspections totaled .844 mmt, up 21 percent from last year, primarily because of increased wheat shipments to Canada and Asia. Interior (land-based) grain inspections reached 2.59 mmt, up 62 percent from last year and 3 percent above the 5-year average. Interior second quarter inspections of corn and soybeans increased 26 and 33 percent, respectively, from last year. Wheat inspections in the Interior increased 33 percent from last year to reach the highest on record for the second quarter.

According to GIPSA, total second quarter corn inspections were the highest on record, at 15 mmt, and up 289 percent from last year, and 50 percent above the average. Exports of corn increased as U.S. production recovered from the drought-affected harvest in 2012/13 (see *figure 2*). PNW corn inspections (3.22 mmt) were the highest since 2008 (4.15 mmt). Gulf corn inspections reached 9.83 mmt, up 231 percent from last year and the highest since 2009 (9.85 mmt). Interior inspections of corn jumped 104 percent from last year at 1.48 mmt, and were equal to the 5-year average. Atlantic/Great Lakes corn inspections reached .374 mmt, the highest since 2006.



Total second quarter soybean inspections reached 2.47 mmt, up 33 percent from last year, as shipments to China and other destinations rose again (see figure 2). Soybean inspections, however, were also 33 percent below the 5-year average. U.S. Gulf second quarter soybean inspections (1.28 mmt) increased 30 percent from last year, and PNW soybean inspections (.297 mmt) increased 143 percent from last year as shipments to Asia increased.

Total wheat inspections reached 7.67 mmt during the second quarter, down 6 percent from last year but 3 percent above the 5-year average (see figure 2). Second quarter wheat inspections dropped 34 percent from last year in the Gulf (3.14 mmt) as demand from Africa and Latin America decreased. Inspections of wheat increased 48 percent in the PNW (3.83 mmt) as demand increased from Asia.

The July 2014/15 USDA World Agricultural Supply and Demand Estimates report projected corn exports to remain unchanged from the June estimate but to fall 10 percent from the 2013/14 estimate. The soybean export forecast increased 3 percent from June and the 2013/14 estimate. Wheat exports, however, are forecast to decrease from the past month and last year due to lower production resulting from drought, April freezes in the Hard Red Winter wheat production area, and increased competition. Cumulative (shipped) export sales of are up notably for corn and soybeans and are ahead of the fall harvest.
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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
07/16/14	261	288	296	225	192	170
07/09/14	263	269	227	192	192	167

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	7/11/2014	7/3/2014
Corn	IL--Gulf	-0.84	-0.74
Corn	NE--Gulf	-0.92	-0.79
Soybean	IA--Gulf	-1.31	-0.35
HRW	KS--Gulf	-1.41	-1.64
HRS	ND--Portland	-3.85	-2.32

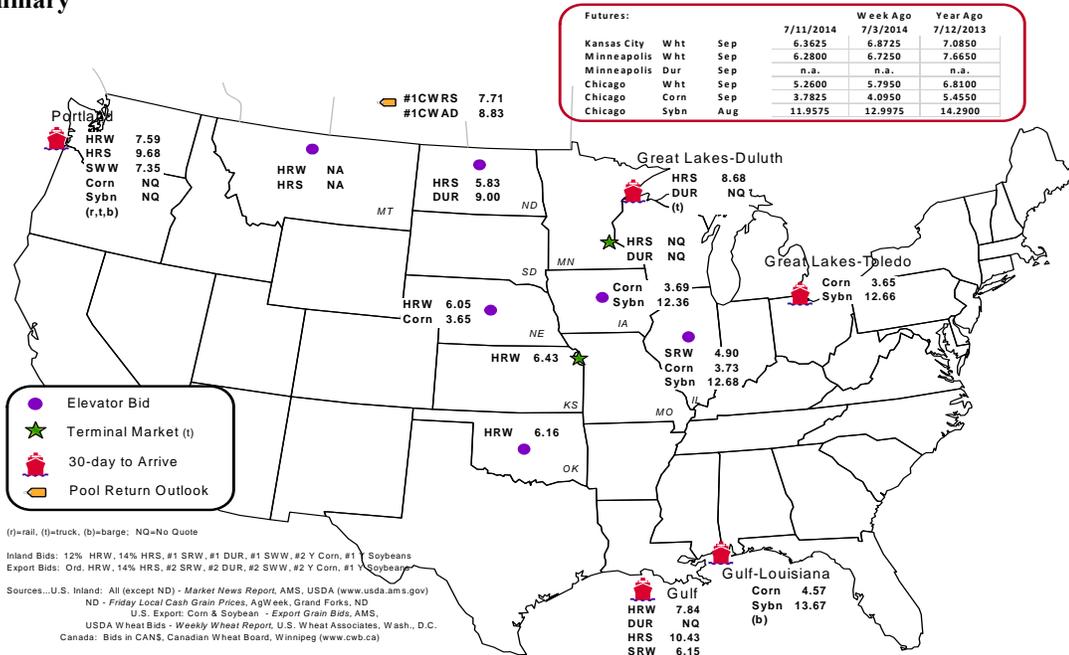
Note: nq = no quote

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				
7/09/2014 ^p	151	1,054	3,719	192		5,116	7/5/2014	1,595
7/02/2014 ^r	6	707	2,765	274		3,752	6/28/2014	1,745
2014 YTD ^r	20,431	45,950	129,298	16,193		211,872	2014 YTD	53,080
2013 YTD ^r	9,620	34,171	73,290	9,508		126,589	2013 YTD	32,473
2014 YTD as % of 2013 YTD	212	134	176	170		167	% change YTD	163
Last 4 weeks as % of 2013 ²	34	70	293	131		161	Last 4wks % 2013	163
Last 4 weeks as % of 4-year avg. ²	40	88	133	74		114	Last 4wks % 4 yr	113
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.

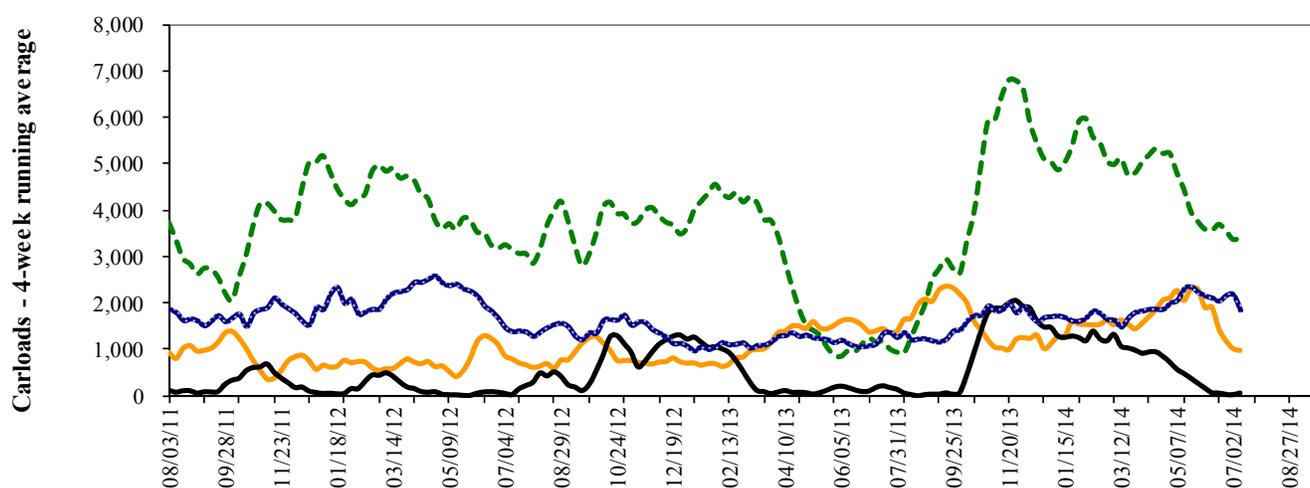
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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 7/09--up 193% from same period last year; up 33% from 4-year average
--- Texas Gulf: 4 wks. ending 7/09--down 30% from same period last year; down 12% from 4-year average
--- Miss. River: 4 wks. ending 7/09--down 66% from same period last year; down 60% from 4-year average
--- Cross-border: 4 wks. ending 7/05--up 63% from same period last year; up 13% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

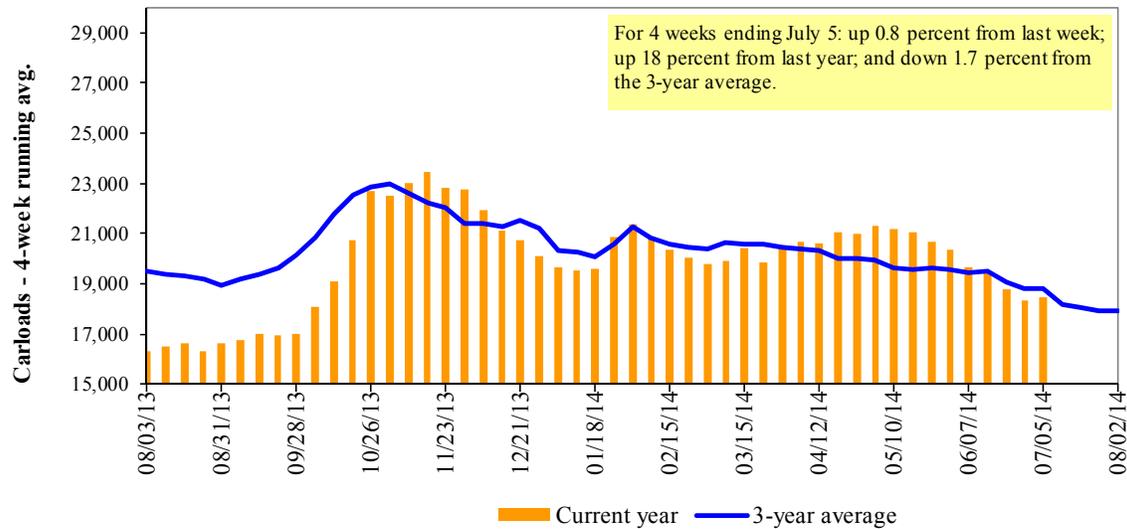
Table 4

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
07/05/14	1,326	2,373	8,451	823	5,148	18,121	4,327	4,976
This week last year	1,412	2,580	7,150	382	3,369	14,893	2,429	3,646
2014 YTD	51,161	79,764	235,514	23,706	152,636	542,781	118,357	141,840
2013 YTD	39,745	68,628	228,655	12,851	102,697	452,576	86,849	137,616
2014 YTD as % of 2013 YTD	129	116	103	184	149	120	136	103
Last 4 weeks as % of 2013	160	102	103	164	144	118	175	120
Last 4 weeks as % of 3-yr avg. ¹	133	97	94	129	105	101	139	115
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
BNSF ³								
COT grain units	no offer	0	1856	no bids	no offer	0	no offer	no offer
COT grain single-car ⁵	no offer	0	1835 . . . 2115	0 . . . 1	no offer	0	no offer	0 . . . 2
UP ⁴								
GCAS/Region 1	no offer	no offer	1	no bids	no offer	no bids	n/a	n/a
GCAS/Region 2	no offer	no offer	311	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.

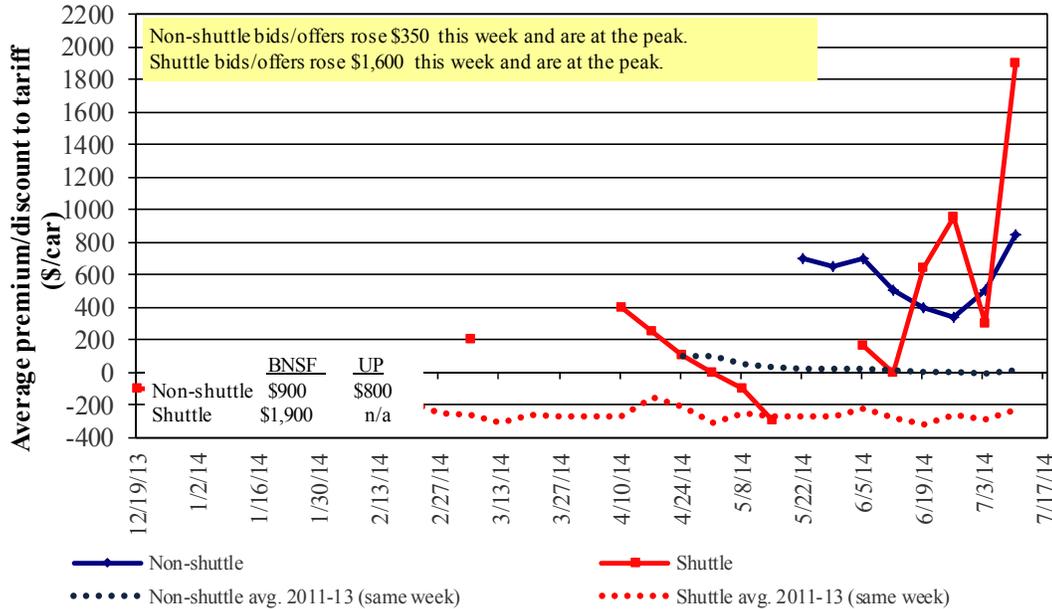
⁵Range is shown because average is not available. Not available = n/a.

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

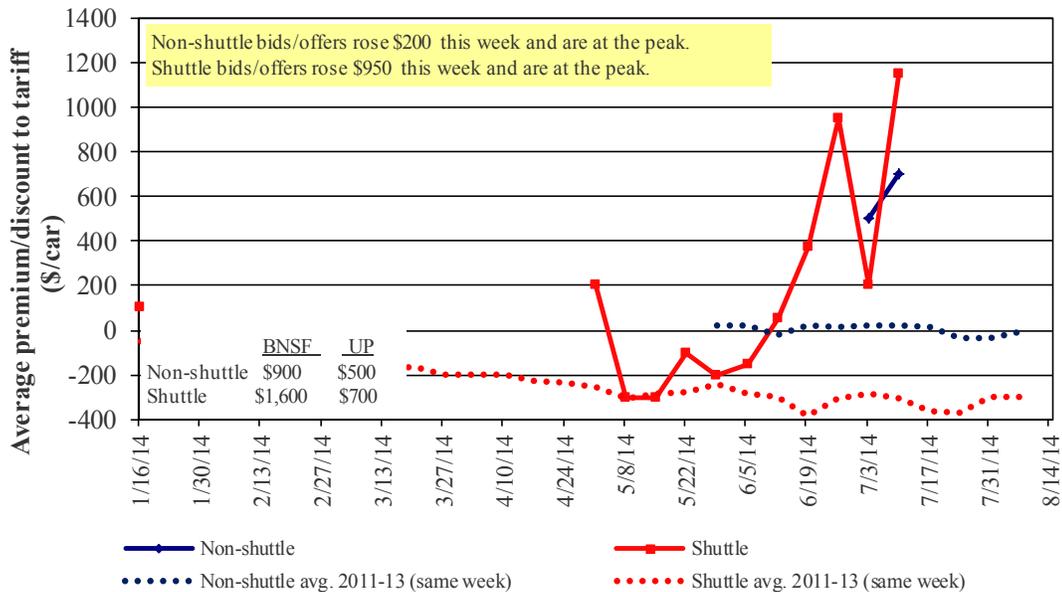


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

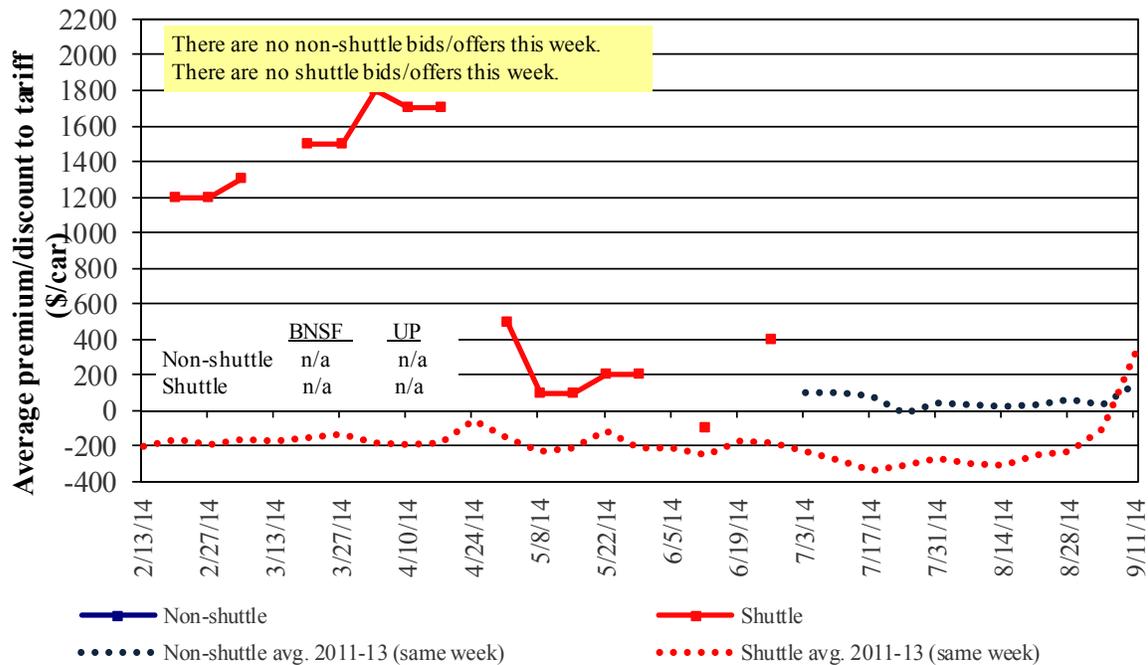


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

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	900	900	n/a	n/a	n/a	n/a
Change from last week	100	100	n/a	n/a	n/a	n/a
Change from same week 2013	899	n/a	n/a	n/a	n/a	n/a
UP-Pool	800	500	n/a	n/a	n/a	n/a
Change from last week	600	300	n/a	n/a	n/a	n/a
Change from same week 2013	800	475	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	1,900	1,600	n/a	3,500	2,500	2,100
Change from last week	1,500	n/a	n/a	n/a	n/a	n/a
Change from same week 2013	2,000	1,725	n/a	3,200	2,250	2,300
UP-Pool	n/a	700	n/a	2,813	1,000	450
Change from last week	n/a	500	n/a	n/a	n/a	n/a
Change from same week 2013	n/a	800	n/a	2,363	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		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: 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
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.

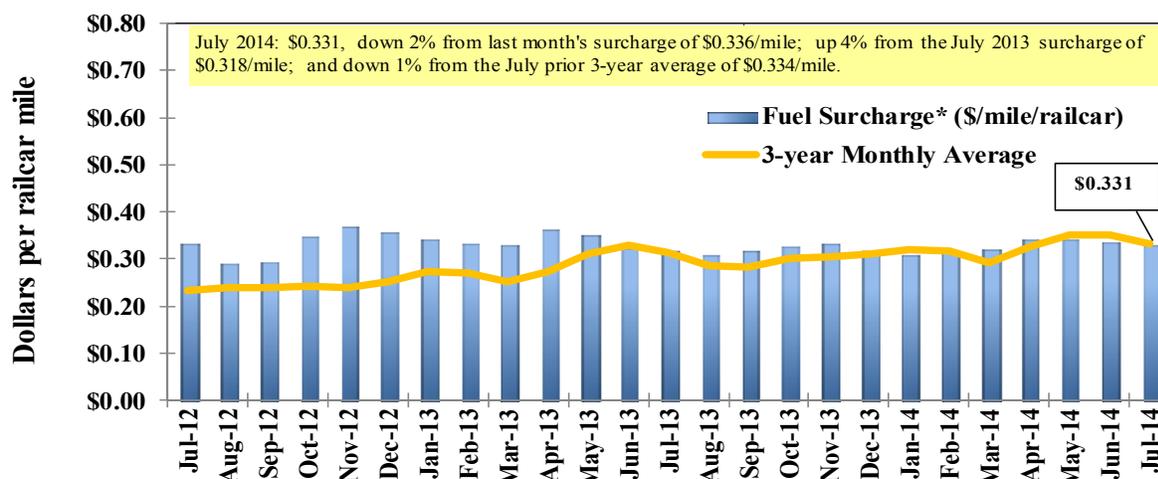
²Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V. railroad fuel surcharge policy as of 10/01/2009

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.

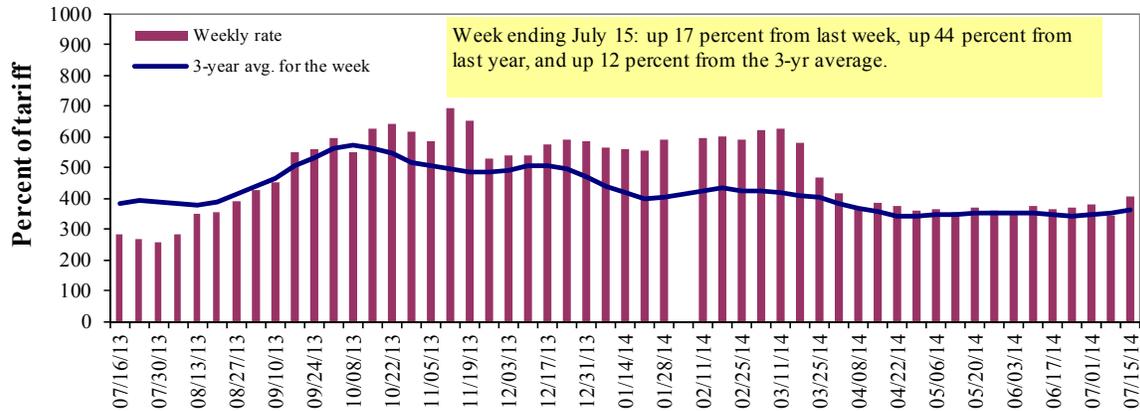
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal. starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

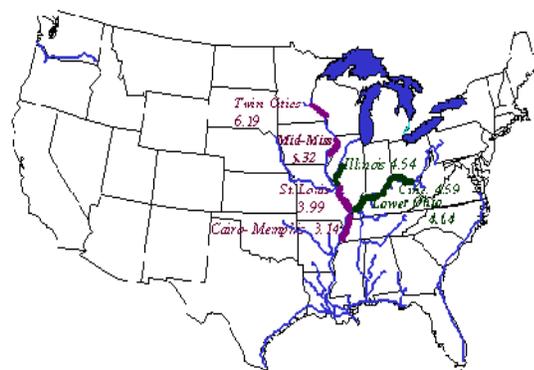
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	7/15/2014	508	402	405	280	287	287	227
	7/8/2014	-	-	345	245	243	243	208
\$/ton	7/15/2014	31.45	21.39	18.79	11.17	13.46	11.59	7.13
	7/8/2014	-	-	16.01	9.78	11.40	9.82	6.53
Current week % change from the same week:								
	Last year	43	34	44	25	43	43	23
	3-year avg. ²	9	4	12	-3	-4	-4	-8
Rate¹	August	503	457	437	392	392	392	373
	October	683	680	663	642	683	683	600

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



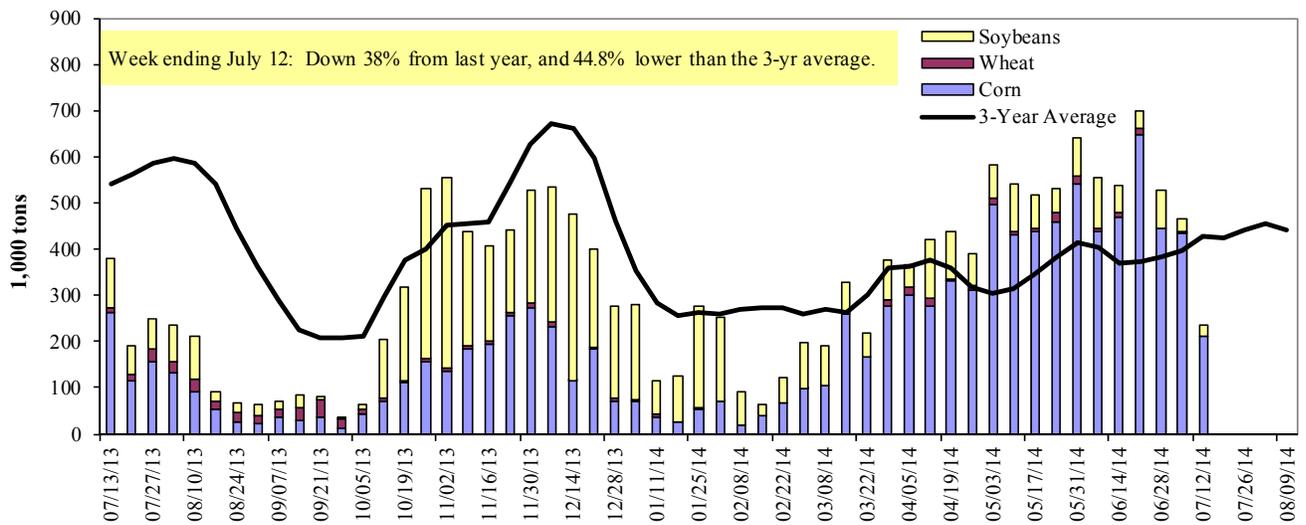
Calculating barge rate per ton:

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

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 7/12/2014	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	52	2	3	0	57
Winfield, MO (L25)	0	0	0	0	0
Alton, IL (L26)	249	0	34	0	284
Granite City, IL (L27)	212	0	24	0	236
Illinois River (L8)	166	0	13	0	179
Ohio River (L52)	110	71	11	4	195
Arkansas River (L1)	0	59	0	1	60
Weekly total - 2014	322	130	34	5	491
Weekly total - 2013	286	196	127	2	610
2014 YTD ¹	12,422	1,218	4,746	122	18,507
2013 YTD	4,545	2,235	4,094	118	10,993
2014 as % of 2013 YTD	273	54	116	103	168
Last 4 weeks as % of 2013 ²	217	64	59	1,066	146
Total 2013	9,504	4,111	10,065	255	23,935

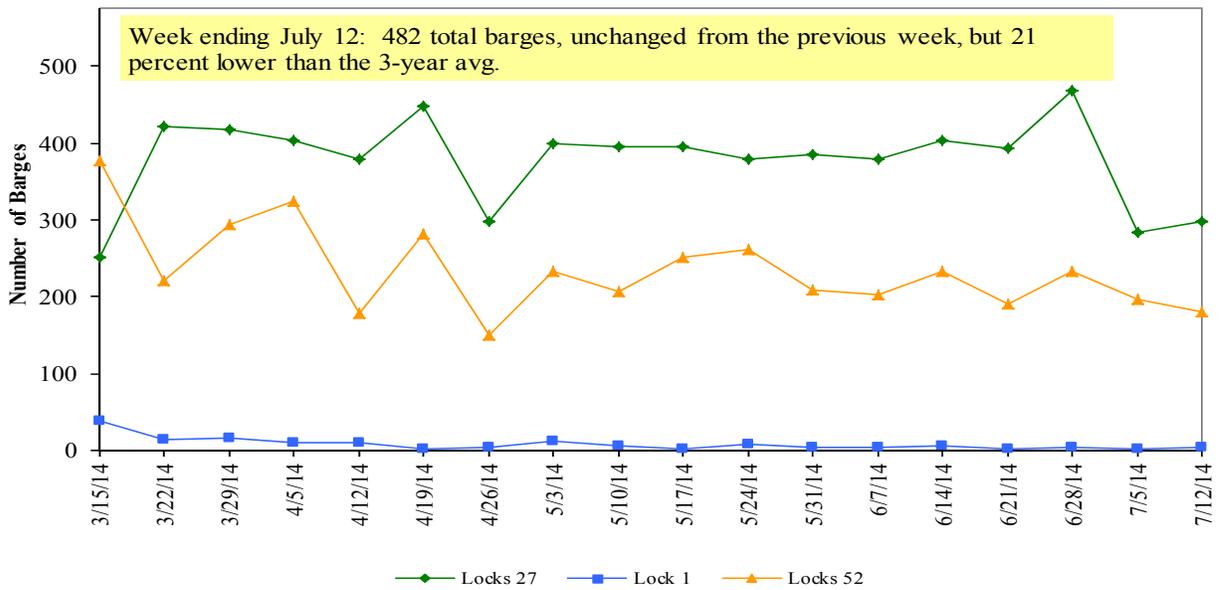
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2013.

Note: Total may not add exactly, due to rounding

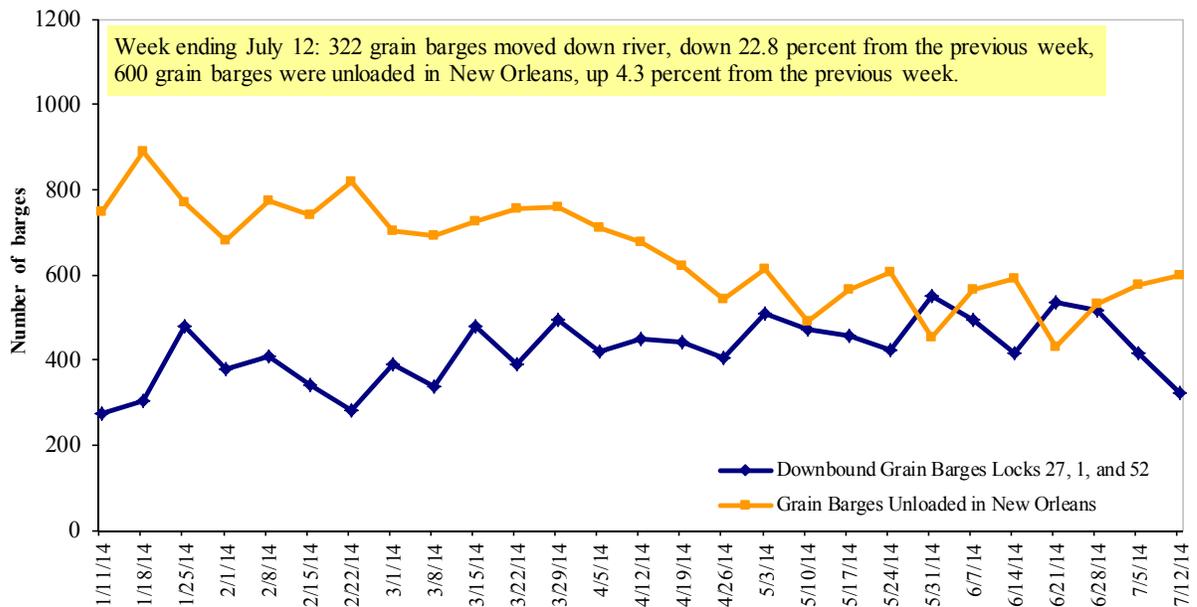
Source: U.S. Army Corps of Engineers

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 7/14/2013 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.961	-0.017	0.085
	New England	4.078	-0.020	0.073
	Central Atlantic	4.051	-0.018	0.112
	Lower Atlantic	3.866	-0.016	0.062
II	Midwest ²	3.837	-0.025	-0.015
III	Gulf Coast ³	3.787	-0.015	-0.011
IV	Rocky Mountain	3.896	-0.013	0.067
V	West Coast	4.052	-0.015	0.055
	West Coast less California	3.971	-0.014	0.054
	California	4.119	-0.016	0.054
Total	U.S.	3.894	-0.019	0.027

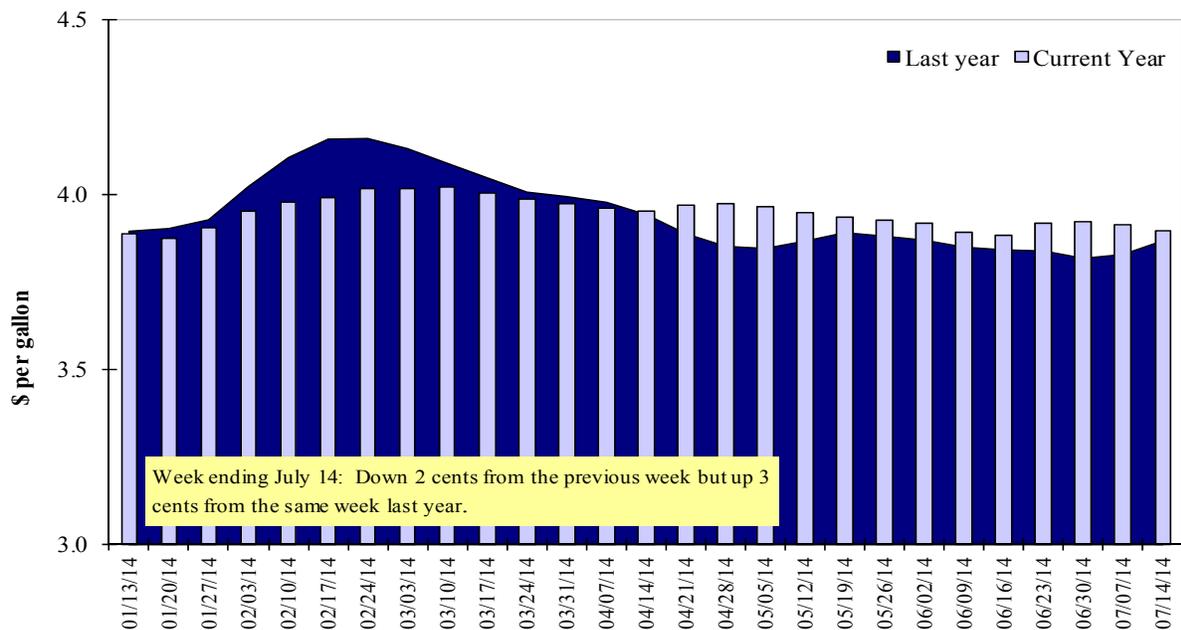
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
7/3/2014	1,739	1,079	2,071	988	120	5,998	8,408	1,990	16,396
This week year ago	2,035	3,367	1,308	968	83	7,760	3,238	1,260	12,258
Cumulative exports-marketing year²									
2013/14 YTD	709	294	751	370	46	2,169	39,168	43,582	84,919
2012/13 YTD	1,173	1,024	455	205	20	2,877	15,322	35,513	53,712
YTD 2013/14 as % of 2012/13	60	29	165	180	230	75	256	123	158
Last 4 wks as % of same period 2012/13	84	33	159	100	158	77	295	159	143
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 07/03/2014	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	1,267	10,991	6,881	60	7,000
Mexico	1,586	10,416	4,329	141	4,370
China	5	2,931	2,479	18	2,450
Korea	1	4,356	418	942	416
Taiwan	8	1,947	504	286	512
Top 5 Importers	2,865	30,641	14,611	110	14,748
Total US corn export sales	4,256	47,576	18,560	156	18,690
% of Projected	10%	99%	99%		
Change from prior week	382	363	392		
Top 5 importers' share of U.S. corn export sales	67%	64%	79%		79%
USDA forecast, July 2014	43,180	48,260	18,690	158	
Corn Use for Ethanol USDA forecast, July 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 07/03/2014	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	6,675	27,658	21,599	28	21,522
Mexico	311	3,278	2,576	27	2,565
Japan	235	1,892	1,768	7	1,751
Indonesia	217	2,282	1,583	44	1,682
Taiwan	36	1,227	1,120	10	1,120
Top 5 importers	7,474	36,337	28,646	27	28,641
Total US soybean export sales	11,196	45,572	36,772	24	35,910
% of Projected	25%	103%	102%		
Change from prior week	431	56	(71)		
Top 5 importers' share of U.S. soybean export sales	67%	80%	78%		
USDA forecast, July 2014	45,590	44,090	35,910	23	

(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 07/03/2014	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	122	2,852	(96)	4,213
Brazil	952	1,046	(9)	4,211
Mexico	1,033	1,048	(1)	2,940
Japan	785	714	10	2,674
Nigeria	484	622	(22)	2,629
Philippines	698	475	47	2,013
Korea	541	207	162	1,287
Indonesia	259	98	164	1,076
Taiwan	301	184	64	980
Colombia	157	239	(34)	783
Top 10 importers	5,331	7,483	(29)	22,808
Total US wheat export sales	8,167	10,638	(23)	32,160
% of Projected	33%	33%		
Change from prior week	338	1,473		
Top 10 importers' share of U.S. wheat export sales	65%	70%		71%
USDA forecast, July 2014	24,490	32,160	(24)	

(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 07/10/14	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	89	239	37	7,021	5,996	117	150	122	11,585
Corn	166	200	83	4,967	1,311	379	2,983	143	2,973
Soybeans	0	0	n/a	4,492	3,762	119	27,900	9	9,090
Total	256	439	58	16,480	11,069	149	266	117	23,647
Mississippi Gulf									
Wheat	137	144	96	2,540	4,859	52	47	69	9,711
Corn	630	803	78	18,421	5,990	308	314	187	14,828
Soybeans	84	31	268	10,258	7,366	139	59	46	21,462
Total	851	978	87	31,219	18,215	171	158	133	46,002
Texas Gulf									
Wheat	125	80	157	3,773	4,688	80	53	56	9,039
Corn	25	0	n/a	371	126	294	139	82	255
Soybeans	0	0	n/a	258	122	211	n/a	0	908
Total	150	80	188	4,402	4,936	89	55	57	10,203
Interior									
Wheat	3	11	22	643	532	121	820	92	1,244
Corn	74	130	57	2,972	1,412	210	148	119	3,943
Soybeans	34	61	55	2,116	1,707	124	349	102	3,212
Total	110	202	55	5,730	3,651	157	91	111	8,399
Great Lakes									
Wheat	0	15	0	237	434	55	273	135	884
Corn	0	29	0	70	0	n/a	n/a	303	0
Soybeans	0	0	n/a	51	22	229	n/a	73	699
Total	0	44	0	358	456	79	429	153	1,583
Atlantic									
Wheat	39	6	706	202	410	49	308	75	645
Corn	5	56	8	435	2	n/a	n/a	1,353	242
Soybeans	2	1	n/a	993	693	143	128	22	1,652
Total	46	63	73	1,631	1,105	148	820	155	2,540
U.S. total from ports²									
Wheat	394	494	80	14,417	16,918	85	148	116	33,108
Corn	900	1,218	74	27,237	8,842	308	349	164	22,241
Soybeans	120	93	128	18,167	13,673	133	8	9	37,024
Total	1,414	1,805	78	59,821	39,433	152	93	78	92,373

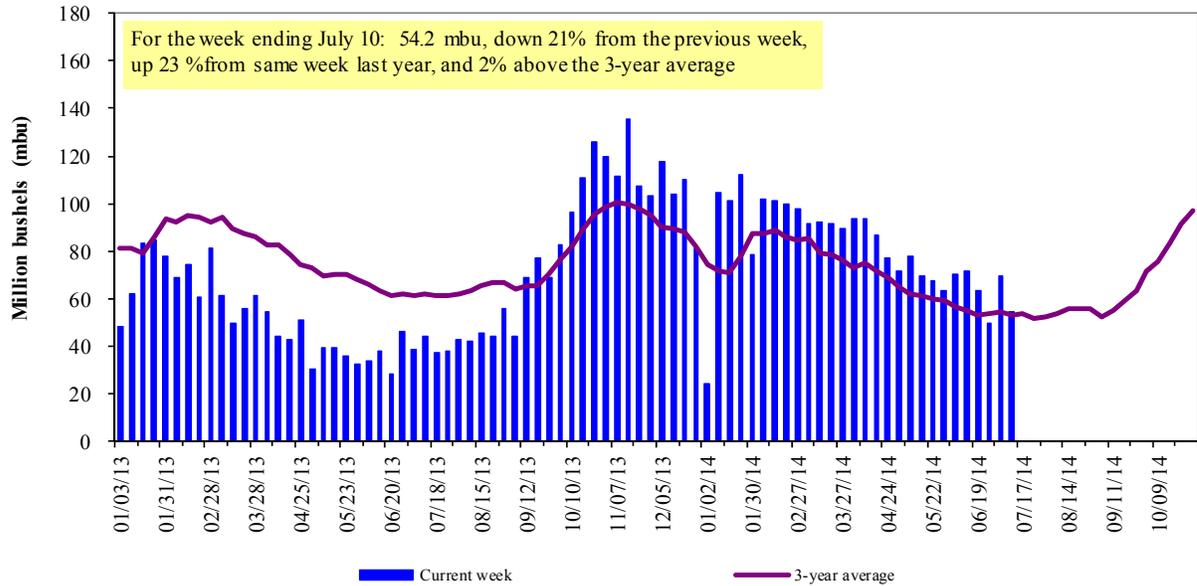
¹Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

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)

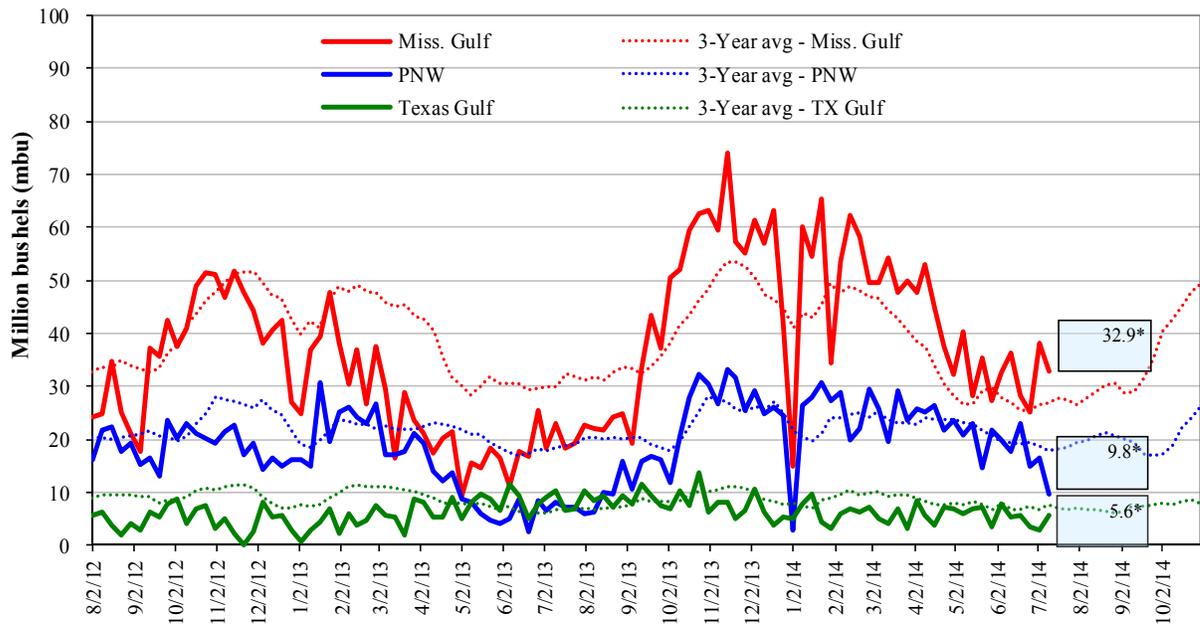


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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 10: % change from:	MSGulf	TX Gulf	U.S. Gulf	PNW
Last week	down 13	up 91	down 6	down 41
Last year (same week)	up 43	down 46	up 16	up 23
3-yr avg. (4-wk mov. avg.)	up 39	down 29	up 22	down 33

Ocean Transportation

Table 17

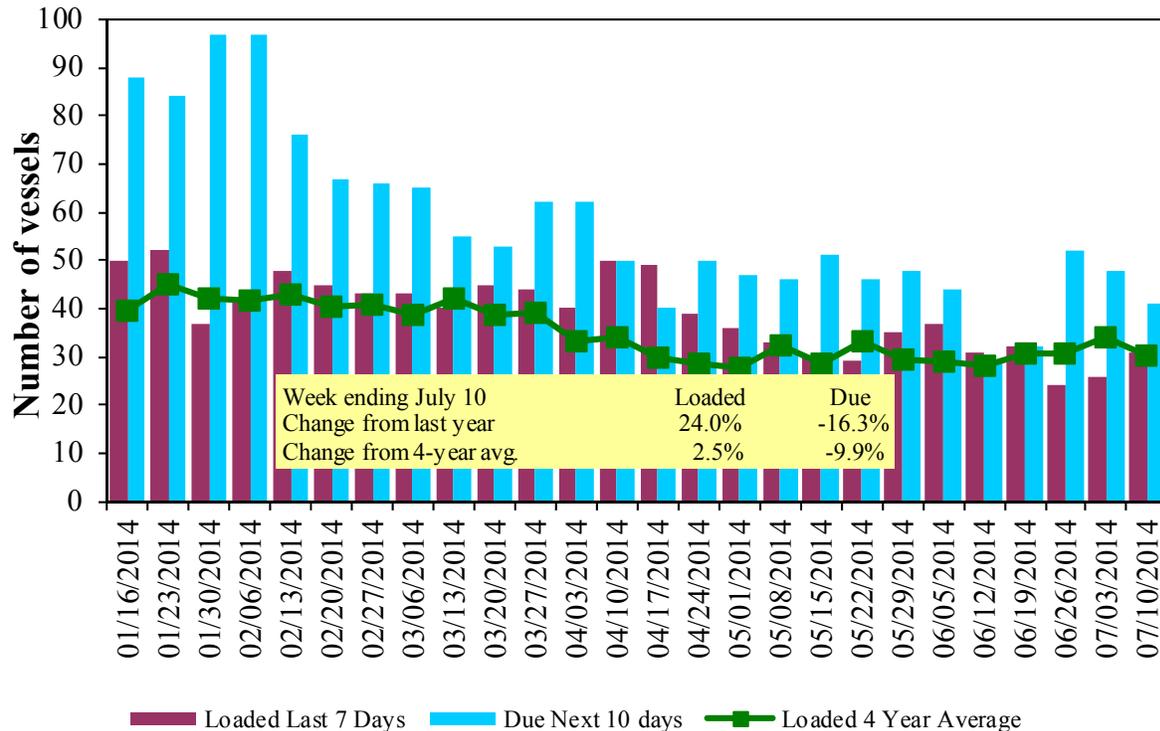
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/10/2014	29	31	41	12	n/a
7/3/2014	32	26	48	11	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

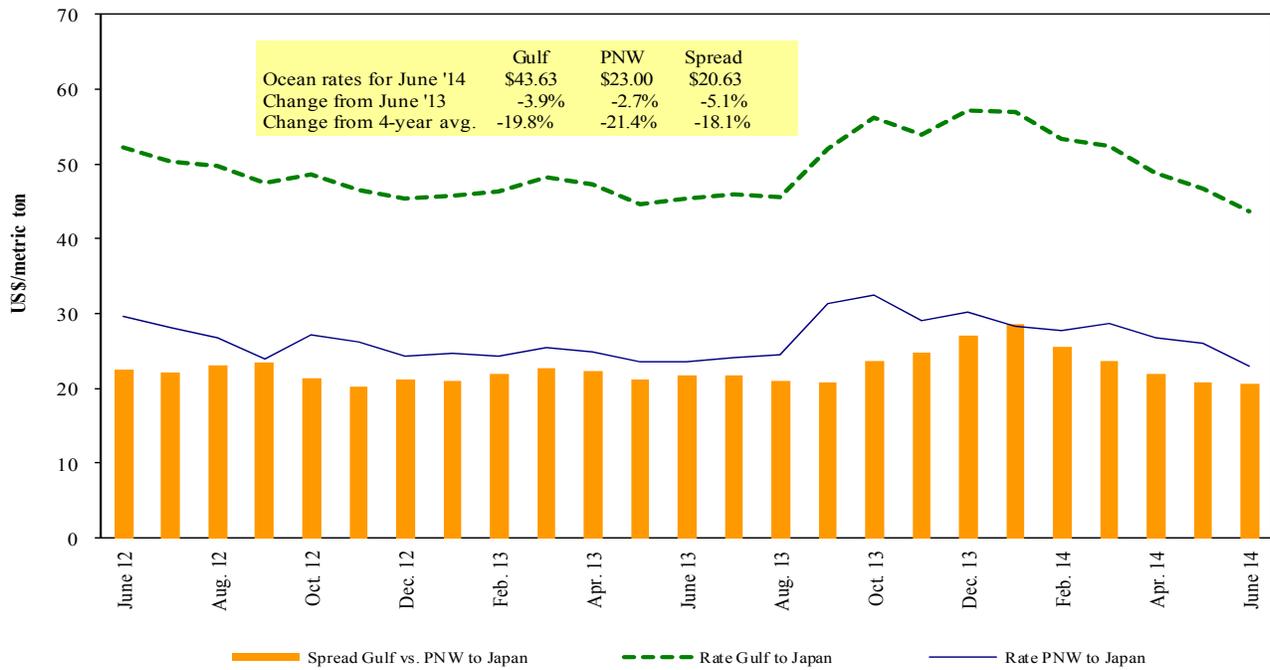


Source: Transportation & Marketing Programs/AMS/USDA

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 07/12/2014

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
River Plate	China	Heavy Grain	Aug 1/31	60,000	44.50
River Plate	China	Grain	Jul 20/30	60,000	37.00
Uruguay	Egypt Med	Soybeans	Jul 18/22	25,000	35.00

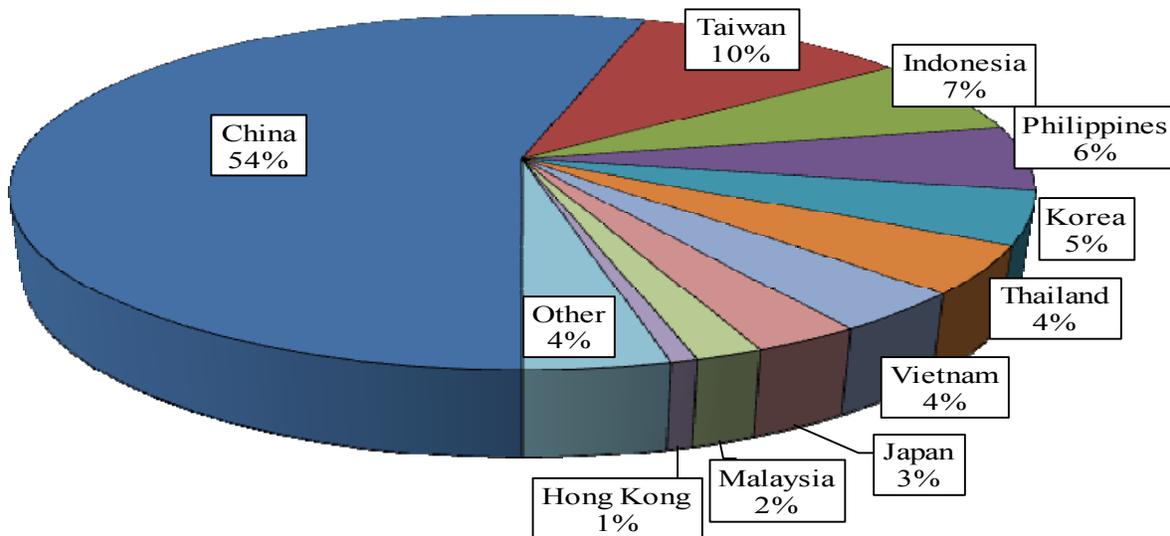
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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 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.

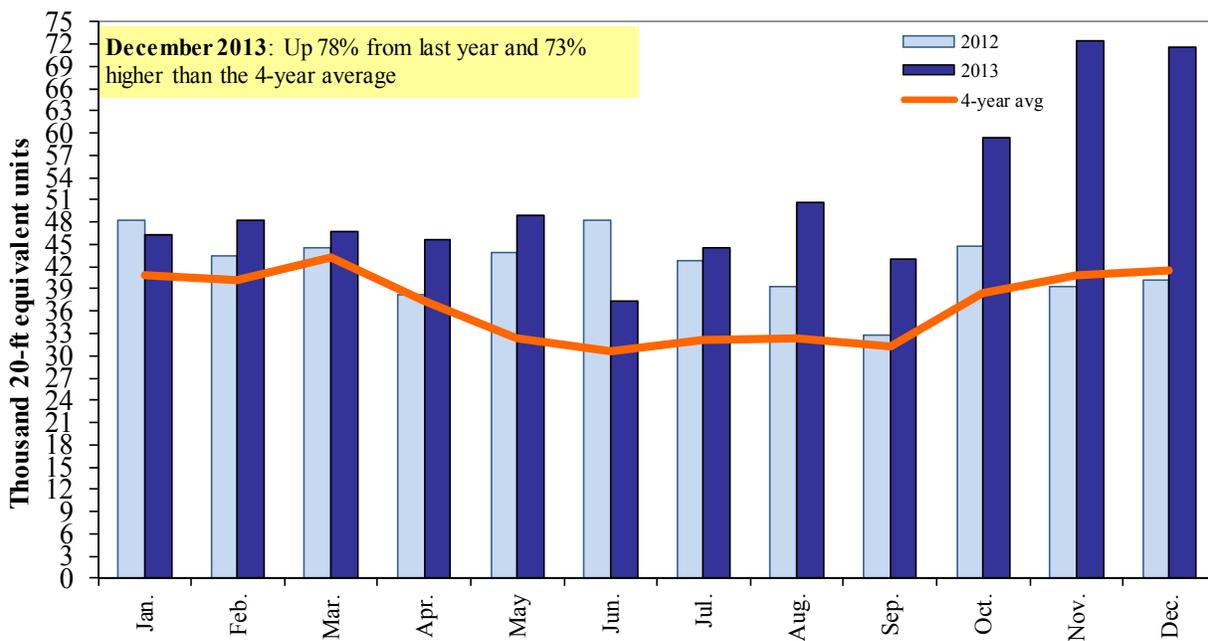
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2013



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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