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The next
release is
August 9, 2012



Grain Transportation Report

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



WEEKLY HIGHLIGHTS

Higher Corn Prices Lead to Reduction in Corn Export Sales

During the week ending July 19, **corn export sales** for the current marketing year were reduced by 9,100 mt and by 131,300 mt for the 2012/13 marketing year. Most of the decreases were from cancelled sales by China, Taiwan, and Central America. From mid-June to mid-July, the September corn futures contract increased by over 50 percent from about \$5.00/bushel to just under \$7.80/bushel. By the end of July, the September contract surpassed \$8.00/bushel. If prices remain high due to continued reports of lower yields, demand may be rationed and less corn may need to be transported to ports for export.

Weekly Wheat and Corn Inspections Increase

For the week ending July 26, total inspections of wheat (.507 mmt) and corn (.545 mmt) increased 58 and 9 percent from the previous week, despite higher prices. **Total grain** (wheat, corn, and soybeans) inspections jumped 18 percent. Grain inspections in the Pacific Northwest increased 51 percent and, in the Texas Gulf region, 173 percent. Wheat shipments increased primarily to Asia and Africa and shipments of corn increased to Asia and Mexico. **Outstanding export sales** of wheat also continued to increase. Soybean inspections (.422 mmt) were down 2 percent from the past week, but for the last four weeks remained above last year and the 3-year average for the same period.

Barge Traffic Continues Despite Low Water Restrictions

With more than half of the United States in moderate drought or worse, water levels on the Mississippi River system have been dropping significantly. Low water conditions on the lower Ohio and the lower Mississippi Rivers restrict the draft and tow size of barges destined to the river export elevators at and below Baton Rouge, LA. These restrictions reduce the potential cargo capacity per barge trip, decreasing barge efficiencies. Barge rates have been relatively steady for the last two weeks after increasing for the previous three weeks.

Drought May Change Grain Transportation Patterns

Large regions of the United States have been affected by the severe drought this year. As of July 29, USDA reported that 48 percent of the corn crop was in the poor or worse crop condition category, as was 37 percent of the soybean crop. As a result, many crop-producing regions that normally produce adequate crops for their local use or source from nearby regions may need to transport crops from more distant regions this year. In normal years, producers in these regions often haul directly to nearby domestic users. This year, however, producers may rely on hired carriers to haul more of the crops to distant domestic users.

Snapshots by Sector

Rail

U.S. railroads originated 17,507 **carloads of grain** during the week ending July 21, down 4 percent from last week, 16 percent from last year, and 12 percent lower than the 3-year average.

During the week ending July 19, average August non-shuttle **secondary railcar bids/offers per car** were \$121.50 below tariff, \$141.50 less than last week and \$141 lower than last year. Average shuttle bids/offers were \$281.50 below tariff, \$89.50 higher than last week and \$414.50 higher than last year.

Ocean

During the week ending July 26, 37 **ocean-going grain vessels** were loaded in the Gulf, up 23 percent from the same period last year. Forty-four vessels are expected to be loaded within the next 10 days, 10 percent less than the same period last year.

During the week ending July 27, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$50.50 per mt, down 1 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$28 per mt, down 2 percent from the previous week.

Barge

During the week ending July 28, **barge grain movements** totaled 743,725 tons, 36 percent higher than the previous week, but 5 percent lower than the same period last year.

During the week ending July 28, 477 grain barges **moved down river**, up 36.3 percent from last week; 456 grain barges were **unloaded in New Orleans**, down 10 percent from the previous week.

Fuel

During the week ending July 30, U.S. average **diesel fuel prices** increased 1 cent to \$3.80 per gallon—14 cents lower than the same week last year.

Feature Article/Calendar

Highway Bill Requires Electronic On-board Recording Devices in Commercial Motor Vehicles

On July 6, President Obama signed H.R. 4348, *Moving Ahead for Progress in the 21st Century Act* (MAP-21). MAP-21 provides an extension through September 30, 2014, of the Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund.

Electronic On-board Recording Devices

To improve compliance by a vehicle operator with hours of service (HOS) regulations, Section 32301 of MAP-21 requires a commercial motor vehicle (CMV) involved in interstate commerce and operated by a driver subject to HOS and record of duty status requirements be equipped with an electronic on-board recording (EOBR) device.¹ It also ensures that EOBRs are not used by employers to harass vehicle operators and protects the privacy of individuals with information stored in the device.

The Secretary of Transportation must evaluate the device's ability to meet performance standards to accurately record time spent on duty but not driving, and ensure that all on-duty time is accounted for and cannot be tampered with by the motor carrier or operator.

MAP-21 affects more than 500,000 carriers in the United States, including some that haul grain or grain products. However, most of the grain hauled will likely be exempt from the EOBR requirement due to the agricultural exemption from HOS rules.

Appropriations Rider Pending

Despite the recent passing of the EOBR mandate, in a separate legislation, Representatives Landry and Rahall introduced an amendment to the FY 2013 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act (H.R. 5872) that would strip funding from the mandate. It states that "none of the funds made available by this act may be used to promulgate or implement any regulations that would mandate global positioning system (GPS) tracking, electronic on-board recording devices or event recorders in passenger or commercial motor vehicles." The "Landry-Rahall amendment" was approved by the House on June 29, but the bill still faces many hurdles before it can become law. If it becomes law, it would effectively negate the EOBR requirements in Sec. 32301 of MAP-21.

An Improvement to Current Paper Logs

Current regulations require CMV drivers to record time spent on duty using a paper-based log book and to make a carbon copy of each page of the log book. One copy is kept with the driver for DOT inspections, and the other is sent to the driver's employer. The driver must keep the log pages for the past seven consecutive days.

EOBRs are an improvement because they record the same information as paper-based log books, but require less information from drivers, and record driving time and location automatically. Drivers would only be responsible for reporting on-duty and off-duty times, possibly reducing some of the errors in record keeping. Under Section 32301, devices that fail to meet certain performance standards may not be certified, and are not acceptable evidence of HOS and record of duty status requirements.

Cost estimates of industry compliance with the EOBR mandate could vary from a high of about \$2 billion to as low as \$563 million. The upper end of the estimate is based off a \$1,775 per unit EOBR cost. Vendors have since offered cheaper alternatives, including a device retailing for \$500.

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¹ Hours of service regulations are issued by the FMCSA, and must be followed by commercial motor vehicle operators. They limit the number of consecutive hours an operator can drive, and set provisions for the time a driver must spend off-duty. They also limit the number of hours a driver can drive in a given period.

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
08/01/12	255	219	190	197	226	199
07/25/12	254	226	187	194	228	206

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

Source: Transportation & Marketing Programs/AMS/USDA

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

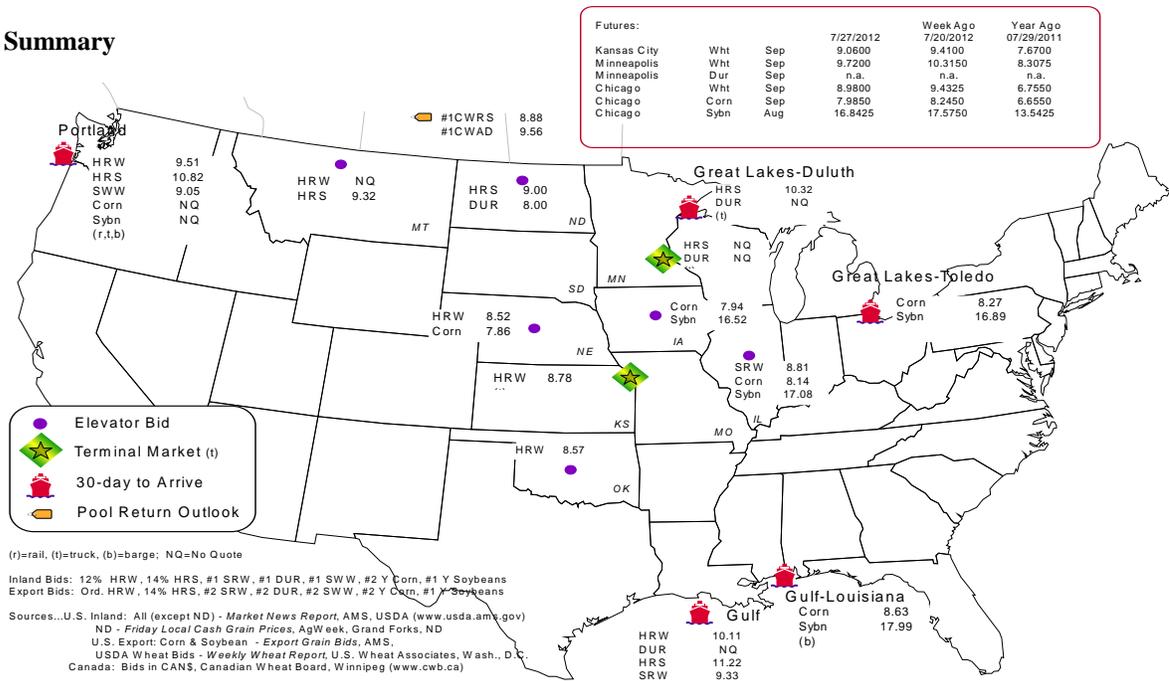
Commodity	Origin--Destination	7/27/2012	7/20/2012
Corn	IL--Gulf	-0.49	-0.67
Corn	NE--Gulf	-0.77	-0.98
Soybean	IA--Gulf	-1.47	-1.53
HRW	KS--Gulf	-1.33	-1.33
HRS	ND--Portland	-1.82	-1.98

Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 1
Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
7/25/2012 ^p	280	723	554	3,379	219	5,155
7/18/2012 ^r	504	445	860	2,514	131	4,454
2012 YTD ^r	4,823	22,430	33,656	119,053	11,035	190,997
2011 YTD ^r	21,520	58,561	28,020	113,787	16,092	237,980
2012 YTD as % of 2011 YTD	22	38	120	105	69	80
Last 4 weeks as % of 2011 ²	182	67	59	92	74	82
Last 4 weeks as % of 4-year avg. ²	43	39	86	81	56	68
Total 2011	27,358	77,515	48,782	191,092	24,088	368,835
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933

¹ Data is incomplete as it is voluntarily provided

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

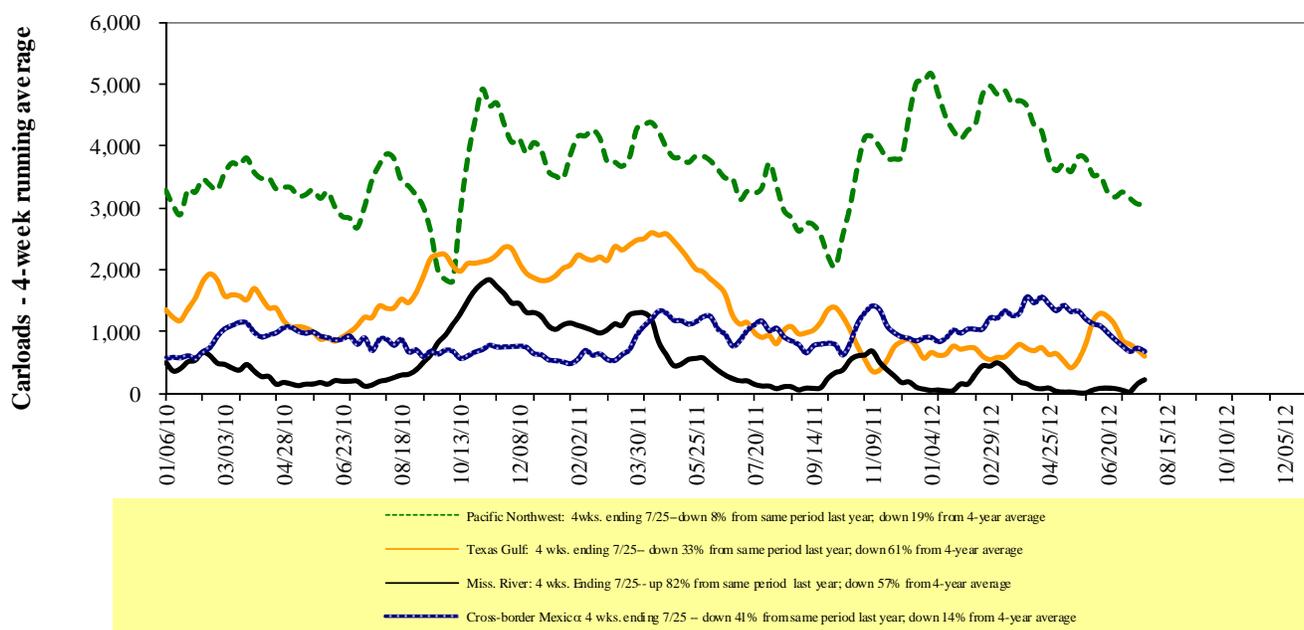
YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available

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

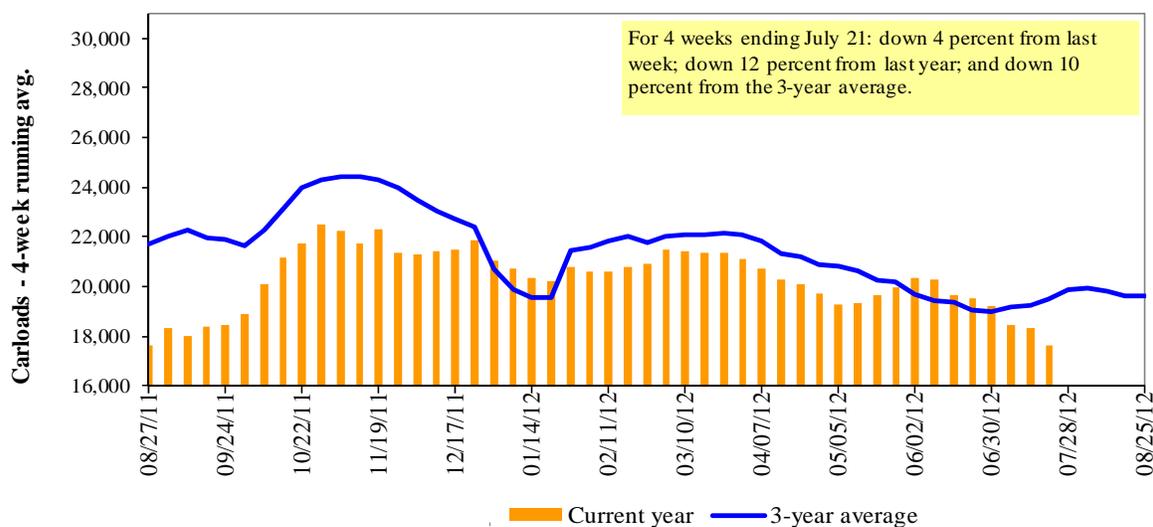
Table 4

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
07/21/12	1,403	2,875	7,648	377	5,204	17,507	3,624	4,441
This week last year	1,701	2,621	10,592	759	5,266	20,939	3,276	6,325
2012 YTD	54,306	82,001	279,753	14,432	150,209	580,701	111,395	135,645
2011 YTD	57,303	88,628	316,547	19,715	174,959	657,152	113,563	143,212
2012 YTD as % of 2011 YTD	95	93	88	73	86	88	98	95
Last 4 weeks as % of 2011 ¹	83	96	87	56	91	88	110	85
Last 4 weeks as % of 3-yr avg. ¹	77	99	86	66	93	88	112	85
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

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

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

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

Source: Association of American Railroads

Table 5

Railcar Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Aug-12	Aug-11	Sep-12	Sep-11	Oct-12	Oct-11	Nov-12	Nov-11
7/26/2012								
BNSF ³								
COT grain units	0	12	0	78	no offer	139	no offer	15
COT grain single-car ⁵	1 . . 7.	0 . . 37	0 . . 7	36 . . 51	no offer	0 . . 81	no offer	0 . . 16
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	1	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	106	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.

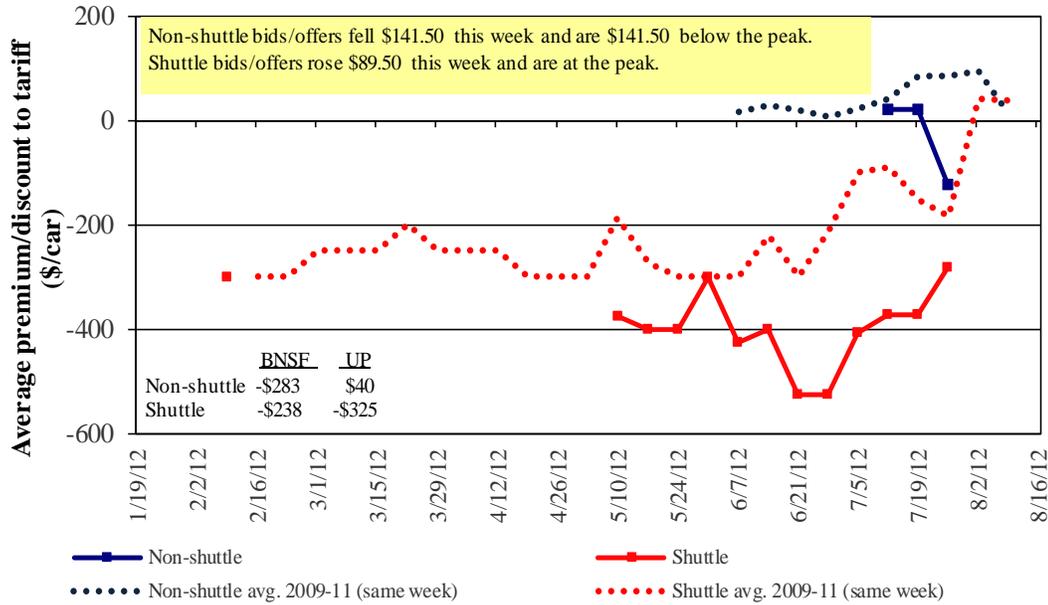
⁵Range is shown because average is not available. Not available = n/a.

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 August 2012, Secondary Market

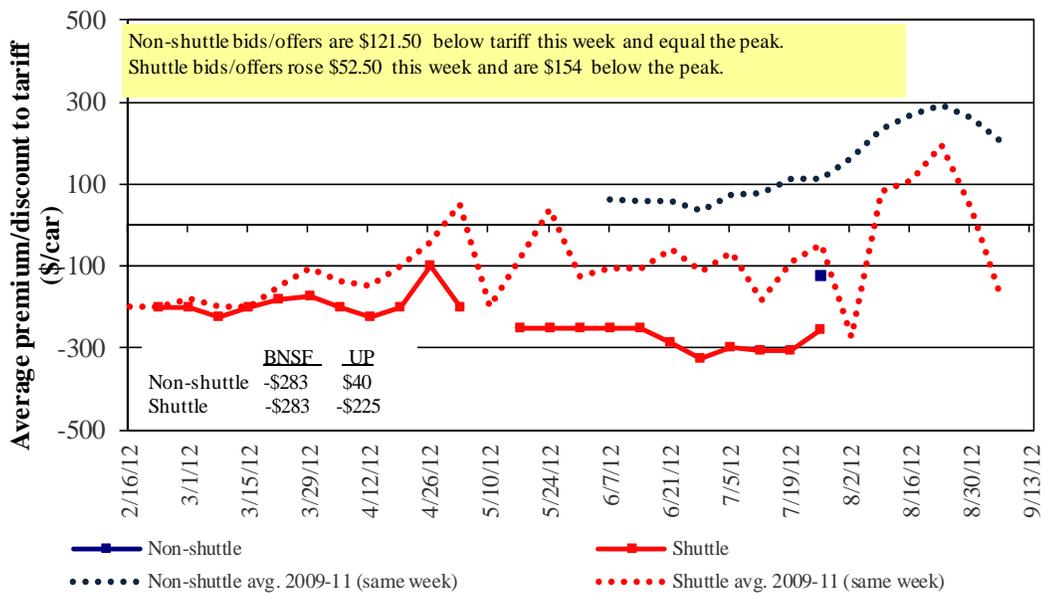


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

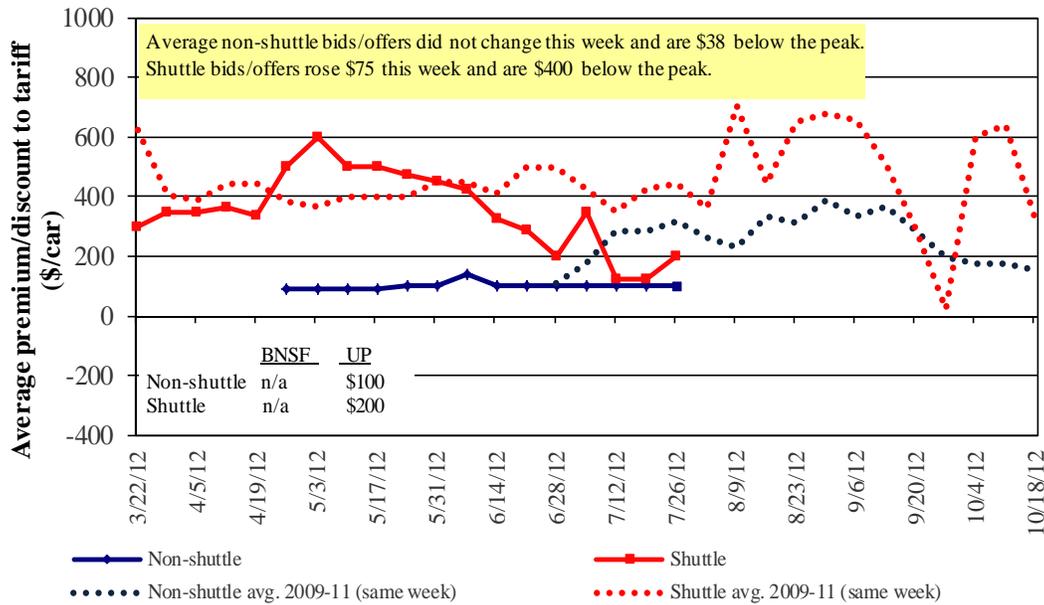


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

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



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Railcar Market (\$/car)¹

Week ending	Delivery period					
	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Non-shuttle						
BNSF-GF	(283)	(283)	n/a	n/a	n/a	n/a
Change from last week	(308)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	(304)	(400)	n/a	n/a	n/a	n/a
UP-Pool	40	40	100	n/a	n/a	n/a
Change from last week	25	n/a	-	n/a	n/a	n/a
Change from same week 2011	22	(16)	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(238)	(283)	n/a	n/a	n/a	n/a
Change from last week	104	5	n/a	n/a	n/a	n/a
Change from same week 2011	429	(83)	n/a	n/a	n/a	n/a
UP-Pool	(325)	(225)	200	n/a	n/a	n/a
Change from last week	75	100	75	n/a	n/a	n/a
Change from same week 2011	400	475	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 Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments¹

Effective date:				Fuel	Tariff plus surcharge per:		Percent
8/1/2012	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ^l ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,144	\$172	\$32.93	\$0.90	4
	Grand Forks, ND	Duluth-Superior, MN	\$3,445	\$95	\$35.16	\$0.96	21
	Wichita, KS	Los Angeles, CA	\$6,026	\$490	\$64.70	\$1.76	4
	Wichita, KS	New Orleans, LA	\$3,645	\$303	\$39.20	\$1.07	3
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$402	\$59.33	\$1.61	2
	Northwest KS	Galveston-Houston, TX	\$3,912	\$332	\$42.14	\$1.15	3
	Amarillo, TX	Los Angeles, CA	\$4,112	\$461	\$45.42	\$1.24	3
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,038	\$342	\$33.57	\$0.91	6
	Toledo, OH	Raleigh, NC	\$4,382	\$381	\$47.30	\$1.29	14
	Des Moines, IA	Davenport, IA	\$1,934	\$72	\$19.92	\$0.54	4
	Indianapolis, IN	Atlanta, GA	\$3,821	\$286	\$40.78	\$1.11	17
	Indianapolis, IN	Knoxville, TN	\$3,273	\$183	\$34.32	\$0.93	17
	Des Moines, IA	Little Rock, AR	\$3,074	\$213	\$32.64	\$0.89	4
	Des Moines, IA	Los Angeles, CA	\$4,985	\$620	\$55.66	\$1.51	2
Soybeans	Minneapolis, MN	New Orleans, LA	\$3,134	\$365	\$34.75	\$0.95	-5
	Toledo, OH	Huntsville, AL	\$3,497	\$271	\$37.41	\$1.02	17
	Indianapolis, IN	Raleigh, NC	\$4,453	\$384	\$48.03	\$1.31	14
	Indianapolis, IN	Huntsville, AL	\$3,189	\$183	\$33.49	\$0.91	20
	Champaign-Urbana, IL	New Orleans, LA	\$3,382	\$342	\$36.98	\$1.01	6
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,481	\$282	\$37.36	\$1.02	6
	Wichita, KS	Galveston-Houston, TX	\$3,634	\$219	\$38.26	\$1.04	14
	Chicago, IL	Albany, NY	\$3,645	\$357	\$39.74	\$1.08	3
	Grand Forks, ND	Portland, OR	\$4,963	\$486	\$54.12	\$1.47	4
	Grand Forks, ND	Galveston-Houston, TX	\$5,984	\$507	\$64.45	\$1.75	4
	Northwest KS	Portland, OR	\$4,880	\$544	\$53.86	\$1.47	2
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$592	\$53.55	\$1.46	1
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$542	\$52.66	\$1.43	1
	Champaign-Urbana, IL	New Orleans, LA	\$2,857	\$342	\$31.77	\$0.86	5
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$316	\$36.01	\$0.98	2
	Des Moines, IA	Amarillo, TX	\$3,430	\$268	\$36.72	\$1.00	2
	Minneapolis, MN	Tacoma, WA	\$4,800	\$588	\$53.50	\$1.46	1
	Council Bluffs, IA	Stockton, CA	\$4,200	\$608	\$47.74	\$1.30	1
Soybeans	Sioux Falls, SD	Tacoma, WA	\$5,040	\$542	\$55.44	\$1.51	2
	Minneapolis, MN	Portland, OR	\$5,030	\$592	\$55.83	\$1.52	2
	Fargo, ND	Tacoma, WA	\$4,930	\$482	\$53.75	\$1.46	3
	Council Bluffs, IA	New Orleans, LA	\$3,710	\$394	\$40.76	\$1.11	4
	Toledo, OH	Huntsville, AL	\$2,672	\$271	\$29.22	\$0.80	4
	Grand Island, NE	Portland, OR	\$5,115	\$557	\$56.32	\$1.53	11

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

Effective date: 8/1/2012

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$7,741	\$515	\$84.35	\$2.29	2
	OK	Cuautitlan, EM	\$6,837	\$625	\$76.24	\$2.07	3
	KS	Guadalajara, JA	\$7,444	\$604	\$82.23	\$2.24	0
	TX	Salinas Victoria, NL	\$3,725	\$236	\$40.46	\$1.10	1
Corn	IA	Guadalajara, JA	\$7,699	\$710	\$85.92	\$2.18	1
	SD	Penjamo, GJ	\$7,776	\$673	\$86.33	\$2.19	6
	NE	Queretaro, QA	\$7,097	\$631	\$78.96	\$2.00	2
	SD	Salinas Victoria, NL	\$5,700	\$512	\$63.47	\$1.61	5
	MO	Tlalnepantla, EM	\$6,538	\$613	\$73.07	\$1.85	6
	SD	Torreon, CU	\$6,522	\$564	\$72.40	\$1.84	3
Soybeans	MO	Bojay (Tula), HG	\$7,350	\$599	\$81.22	\$2.21	6
	NE	Guadalajara, JA	\$7,904	\$685	\$87.76	\$2.39	2
	IA	El Castillo, JA ⁵	\$8,255	\$669	\$91.18	\$2.48	5
	KS	Torreon, CU	\$6,421	\$425	\$69.95	\$1.90	3
Sorghum	OK	Cuautitlan, EM	\$5,730	\$511	\$63.77	\$1.62	5
	TX	Guadalajara, JA	\$6,653	\$438	\$72.45	\$1.84	5
	NE	Penjamo, GJ	\$7,426	\$611	\$82.12	\$2.08	4
	KS	Queretaro, QA	\$6,460	\$384	\$69.93	\$1.77	4
	NE	Salinas Victoria, NL	\$5,153	\$450	\$57.24	\$1.45	5
	NE	Torreon, CU	\$6,068	\$502	\$67.13	\$1.70	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

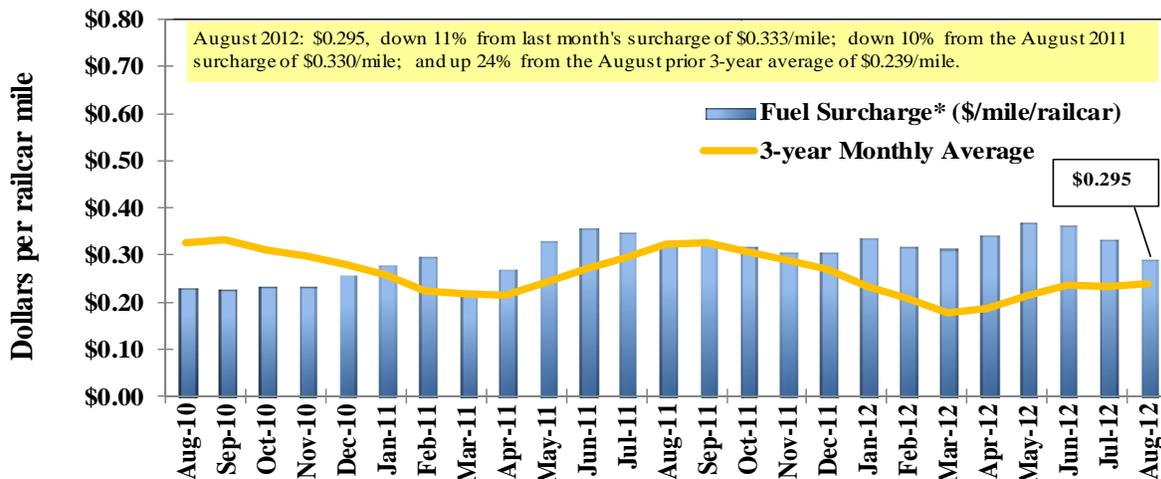
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵Beginning 12/6/10, El Castillo, JA replaced Penjamo, GJ as the destination

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

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

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

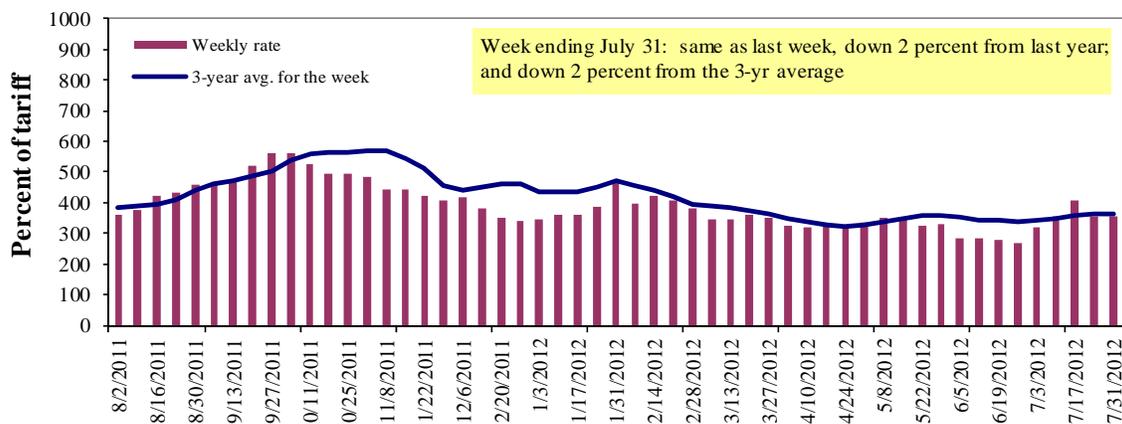
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

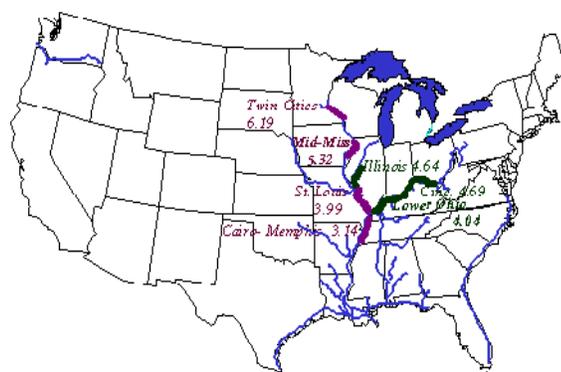
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid- Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo- Memphis
Rate¹	7/31/2012	445	357	355	330	333	333	312
	7/24/2012	478	370	357	338	331	331	302
\$/ton	7/31/2012	27.55	18.99	16.47	13.17	15.62	13.45	9.80
	7/24/2012	29.59	19.68	16.56	13.49	15.52	13.37	9.48
Current week % change from the same week:								
	Last year	0	-4	-2	28	-7	-7	25
	3-year avg. ²	7	1	-2	21	2	2	22
Rate¹	August	455	387	383	360	358	358	342
	October	547	488	475	420	467	467	387

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



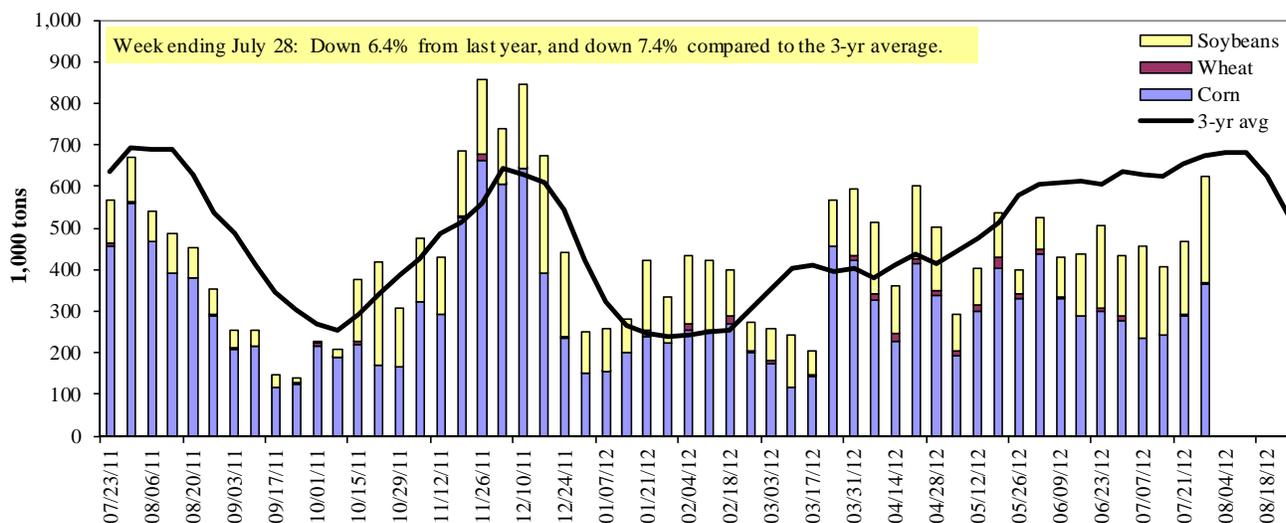
Calculating barge rate per ton:

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

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 7/28/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	196	0	122	0	317
Winfield, MO (L25)	259	0	150	0	409
Alton, IL (L26)	378	3	242	0	623
Granite City, IL (L27)	365	5	256	0	626
Illinois River (L8)	80	3	89	0	172
Ohio River (L52)	24	3	45	8	80
Arkansas River (L1)	0	32	6	0	38
Weekly total - 2012	389	40	307	8	744
Weekly total - 2011	578	66	120	24	787
2012 YTD ¹	10,575	1,205	6,152	184	18,115
2011 YTD	11,381	937	4,336	224	16,878
2012 as % of 2011 YTD	93	129	142	82	107
Last 4 weeks as % of 2011 ²	60	51	211	42	85
Total 2011	19,921	1,460	8,553	422	30,356

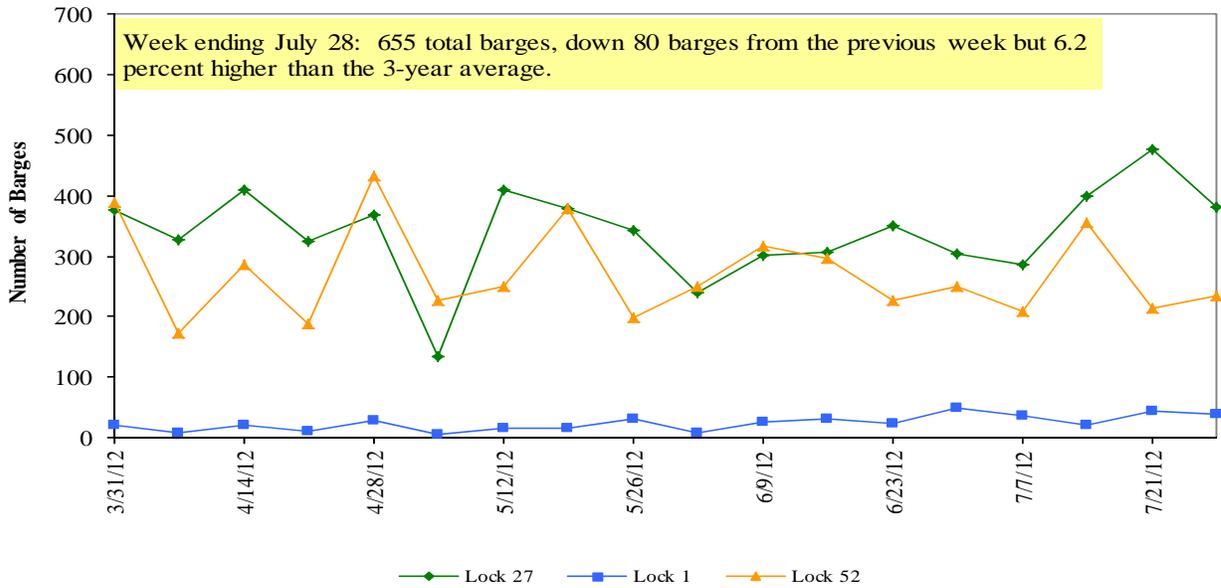
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

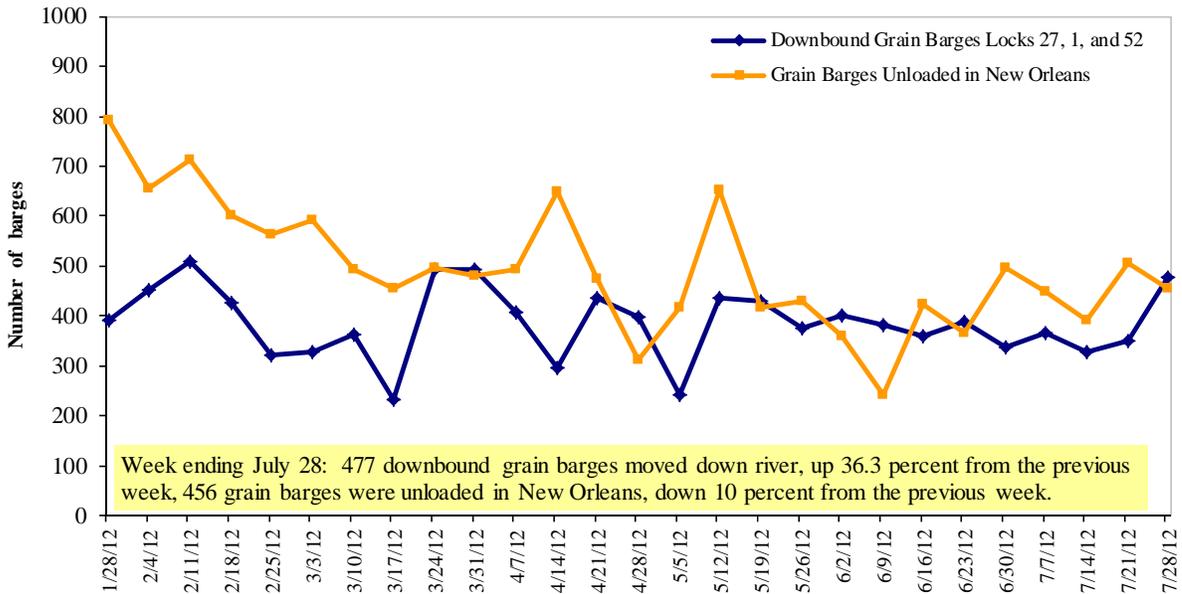
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webprts/default.asp)

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



Source: U.S. Army Corps of Engineers

Figure 12
Grain Barges for Export in New Orleans Region



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

Truck Transportation

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

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 7/30/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.842	0.016	-0.132
	New England	3.931	0.015	-0.114
	Central Atlantic	3.908	0.008	-0.182
	Lower Atlantic	3.775	0.022	-0.143
II	Midwest ²	3.782	0.033	-0.136
III	Gulf Coast ³	3.696	-0.015	-0.208
IV	Rocky Mountain	3.729	0.028	-0.126
V	West Coast	3.898	-0.003	-0.102
	California	3.967	-0.009	-0.169
Total	U.S.	3.796	0.013	-0.141

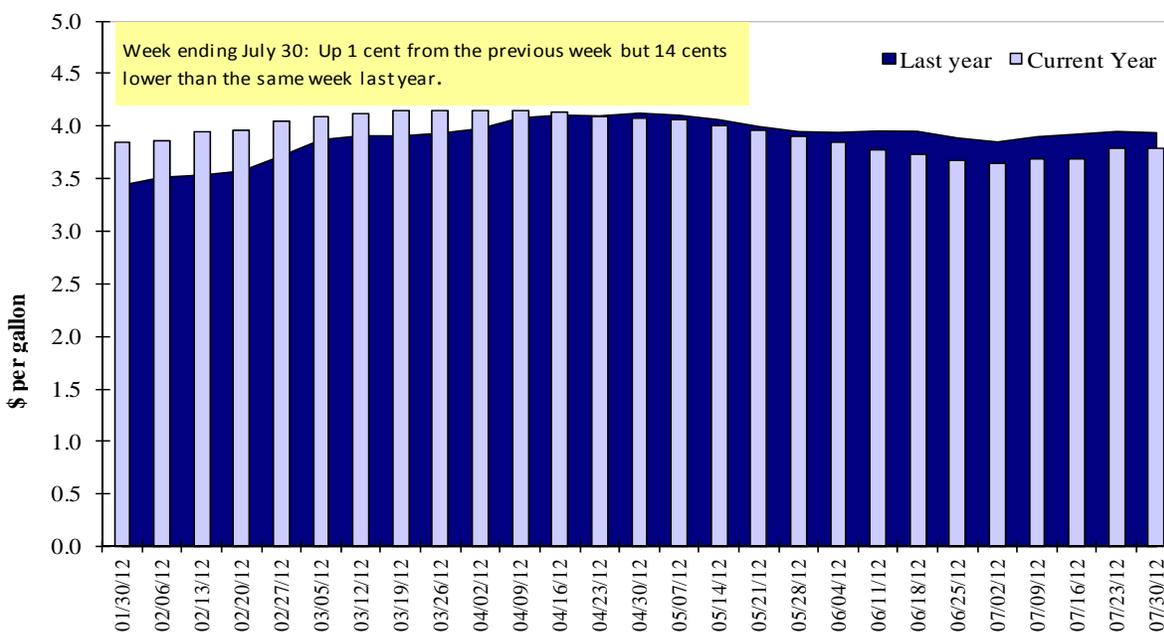
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
7/19/2012	1,517	840	1,390	1,160	112	5,019	4,137	4,386	13,542
This week year ago	1,787	897	1,781	1,157	151	5,773	6,717	3,371	15,861
Cumulative exports-marketing year²									
2011/12 YTD	1,676	544	729	408	57	3,383	34,998	33,904	72,285
2010/11 YTD	1,946	521	1,039	672	111	4,289	40,348	38,695	83,332
YTD 2011/12 as % of 2010/11	86	104	70	61	51	79	87	88	87
Last 4 wks as % of same period 2010/11	83	91	74	95	81	84	74	141	92
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306
2009/10 Total	8,458	2,733	5,329	3,897	983	21,400	47,700	39,285	108,385

¹ Current unshipped export sales to date

² Shipped export sales to date; the new marketing year is now in effect for 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 07/19/12	Total Commitments ²			% change current MY from last MY	Exports ³ 2010/11
	2012/13 Next MY	2011/12 Current MY	2010/11 Last MY		
	- 1,000 mt -				- 1,000 mt -
Japan	1,301	11,846	14,337	(17)	14,279
Mexico	1,091	9,544	6,921	38	7,019
Korea	306	3,739	6,003	(38)	6,104
China*	861	5,202	686	658	978
Taiwan	0	1,272	2,682	(53)	2,393
Top 5 importers	3,560	31,602	30,629	3	30,772
Total US corn export sales	6,554	39,135	47,064	(17)	46,600
% of Projected	16%	96%	101%		
Change from prior week	(131)	(9)	332		
Top 5 importers' share of U.S. corn export sales	54%	81%	65%		
USDA forecast, July 2012	40,640	40,640	46,600	(13)	
Corn Use for Ethanol USDA forecast, Ethanol July 2012	124,460	128,270	127,534	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 Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

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

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week Ending 07/19/2012	Total Commitments ²			% change current MY from last MY	Exports ³ 2010/11
	2012/13 Next MY	2011/12 Current MY	2010/11 Last MY		
		- 1,000 mt -			- 1,000 mt -
China	10,139	23,937	26,014	(8)	24,445
Mexico	254	3,168	3,129	1	3,215
Japan	124	1,785	2,192	(19)	1,887
EU	232	1,157	2,599	(55)	2,607
Indonesia	69	1,529	1,639	(7)	1,680
Top 5 importers	10,818	31,576	35,573	(11)	33,833
Total US soybean export sales	15,070	38,290	42,067	(9)	40,860
% of Projected	40%	105%	103%		
Change from prior week	517	193	11		
Top 5 importers' share of U.S. soybean export sales	72%	82%	85%		
USDA forecast, July 2012	37,290	36,470	40,860	(11)	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, 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 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 07/19/2012	Total Commitments ²		% change current MY from last MY	Exports ³ 2011/12
	2012/13 Current MY	2011/12 Last MY		
		- 1,000 mt -		- 1,000 mt -
Japan	1,071	1,347	(20)	3,512
Mexico	1,183	1,149	3	3,496
Nigeria	756	1,106	(32)	3,248
Philippines	688	1,065	(35)	2,039
Korea	494	386	28	1,983
Egypt	131	121	9	950
Taiwan	340	243	40	888
Indonesia	176	316	(44)	830
Venezuela	314	167	88	594
Iraq	209	412	(49)	572
Top 10 importers	5,362	6,312	(15)	18,111
Total US wheat export sales	8,402	10,062	(16)	28,530
% of Projected	26%	35%		
Change from prior week	367	474		
Top 10 importers' share of U.S. wheat export sales	64%	63%		63%
USDA forecast, July 2012	32,660	28,530	14	

(n) indicates negative number.

¹Modified from the FAS 2010/11 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, 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 07/26/12	Previous Week ¹	Current Week as % of Previous	2012 YTD ¹	2011 YTD ¹	2012 YTD as % of 2011 YTD	Last 4-weeks as % of		Total ¹ 2011
							2011	3-yr. avg.	
Pacific Northwest									
Wheat	145	153	94	7,407	8,464	88	73	95	13,995
Corn	234	135	174	4,587	5,973	77	67	65	9,198
Soybeans	55	0	n/a	5,267	3,401	155	173	89	7,321
Total	433	288	150	17,262	17,838	97	76	79	30,513
Mississippi Gulf									
Wheat	141	50	285	3,690	3,224	114	66	79	5,031
Corn	224	292	77	11,793	15,310	77	57	47	26,267
Soybeans	292	332	88	10,502	10,000	105	401	260	19,262
Total	658	674	98	25,985	28,535	91	94	79	50,560
Texas Gulf									
Wheat	207	76	273	3,672	7,975	46	89	87	10,837
Corn	0	0	n/a	295	800	37	0	0	1,021
Soybeans	0	0	n/a	5	763	1	n/a	0	926
Total	207	76	273	3,972	9,539	42	83	76	12,784
Interior									
Wheat	11	22	50	707	637	111	187	122	1,110
Corn	87	68	128	4,579	4,198	109	76	84	7,509
Soybeans	70	74	94	2,503	2,259	111	60	159	4,273
Total	168	164	102	7,789	7,095	110	82	106	12,892
Great Lakes									
Wheat	0	18	0	182	639	28	38	30	1,038
Corn	0	0	n/a	37	55	68	0	0	178
Soybeans	0	22	0	147	22	661	n/a	0	382
Total	0	41	0	367	717	51	75	66	1,598
Atlantic									
Wheat	3	2	127	232	577	40	73	40	686
Corn	0	5	0	96	183	53	54	24	295
Soybeans	6	2	262	583	458	127	311	563	1,042
Total	9	9	97	911	1,218	75	187	146	2,022
U.S. total from ports²									
Wheat	507	321	158	15,890	21,517	74	76	87	32,697
Corn	545	500	109	21,389	26,520	81	60	54	44,466
Soybeans	422	431	98	19,006	16,904	112	272	199	33,205
Total	1,475	1,252	118	56,286	64,942	87	87	82	110,369

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

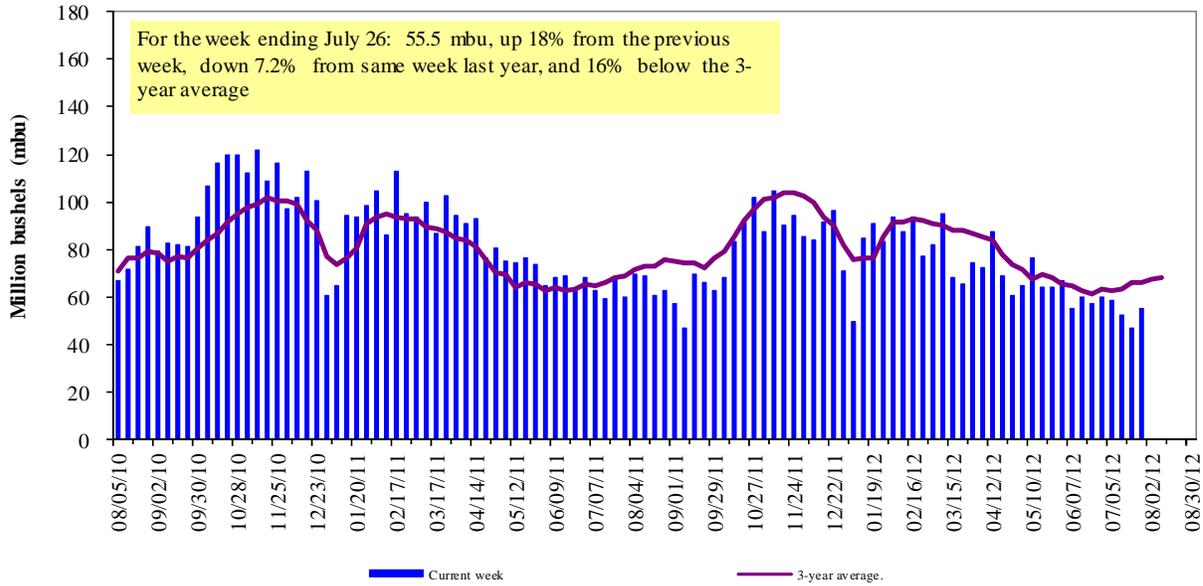
²Total includes only port regions shown above; Interior land-based shipments now included.

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, this includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2011.

Figure 14

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

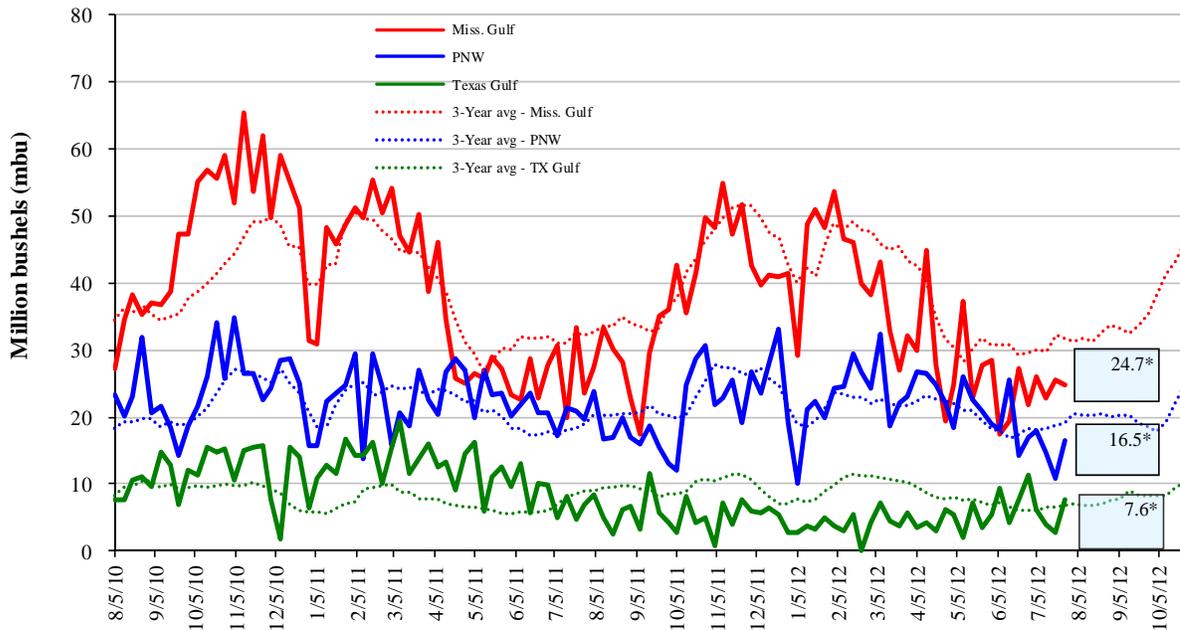


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

July 26 % change from:	MSGulf	TX_Gulf	U.S. Gulf	PNW
Last week	down 3	up 173	up 14	up 52
Last year (same week)	up 5	up 8	up 6	down 16
3-yr avg. (4-wk mov. avg.)	down 22	up 10	down 17	down 23

Ocean Transportation

Table 17

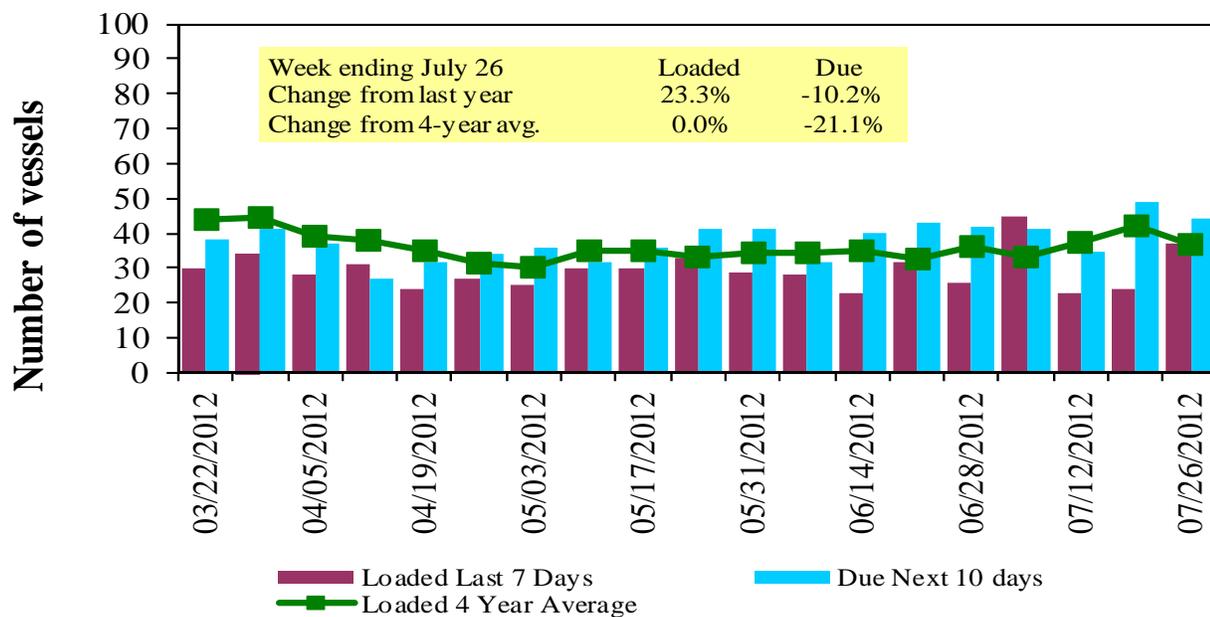
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
7/26/2012	23	37	44	8	n/a
7/19/2012	24	24	49	7	n/a
2011 range	(14..65)	(28..54)	(34..83)	(5..25)	(1..20)
2011 avg.	31	38	53	15	12

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

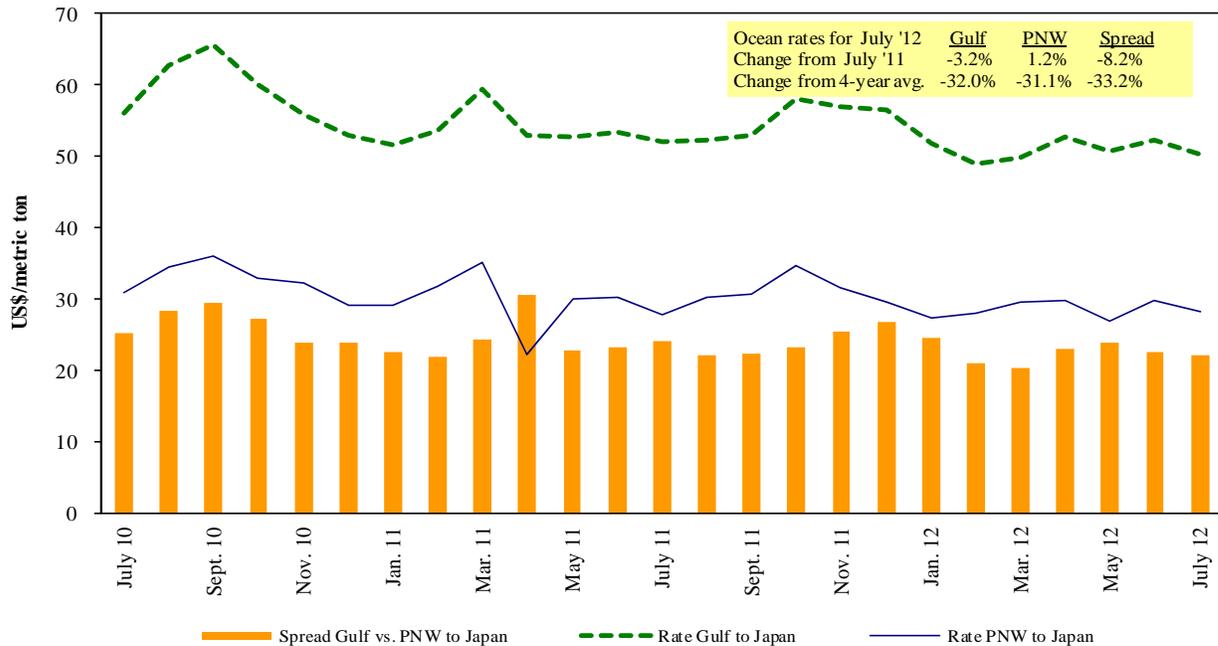
U.S. Gulf^d Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 07/28/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Japan	Heavy Grain	Apr 1/10	58,000	46.00
PNW	Djibouti ¹	Wheat	May 5/15	26,430	118.03
PNW	China	Grain	Jan 10/20	55,000	26.75
St. Lawrence	Nigeria	Wheat	Apr 5/15	25,000	45.00
Argentina	Morocco	Barley	Apr 1/10	25,000	39.75
Australia	China	Grain	Jul 26/Aug 4	65,000	19.45
Brazil	China	Heavy Grain	Jul 25/30	60,000	49.00
Brazil	China	Heavy Grain	May 20/30	60,000	47.75
Brazil	China	Heavy Grain	May 1/30	66,000	40.50
Brazil	China	Heavy Grain	Apr 1/10	60,000	47.75
River Plate	Algeria	Corn	Jul 5/15	25,000	34.00
River Plate	Egypt Med	Corn	Feb 25/ Mar 5	30,000	39.25
Ukraine	Japan	Corn	Apr 6/15	47,000	47.50
Ukraine	Kenya	Grain	Jul 25/28	26,000	49.50

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

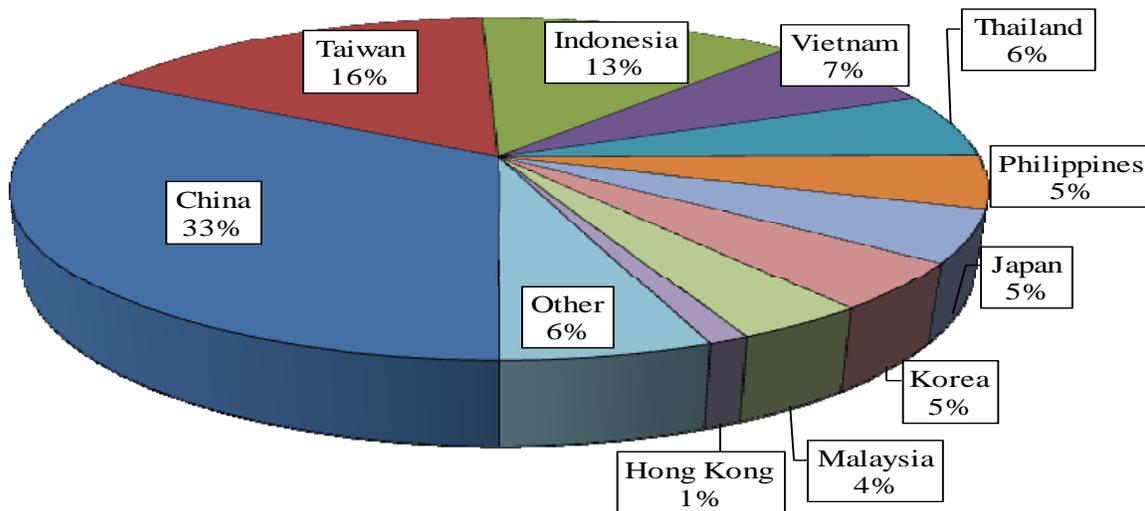
¹75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2011, containers were used to transport 7 percent of total U.S. waterborne grain exports, up 2 percentage points from 2010. Approximately 11 percent of U.S. waterborne grain exports in 2011 went to Asia, up 4 percentage points from 2010. Asia is the top destination for U.S. containerized grain exports—96 percent in 2011.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, March 2012

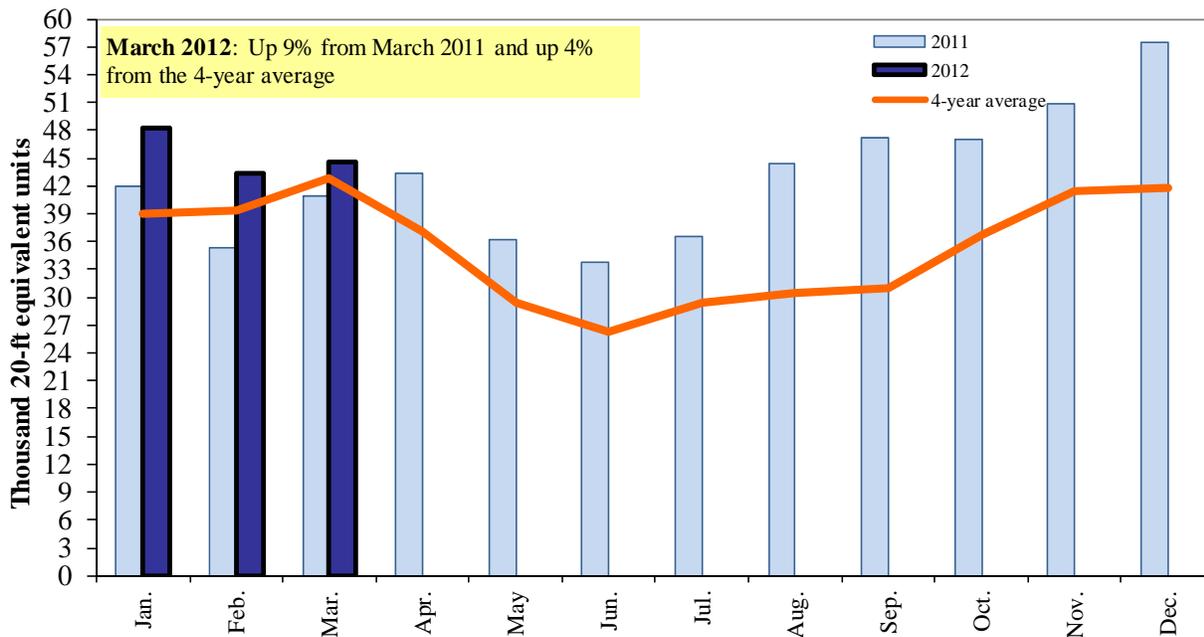


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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