



Grain Transportation Report

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

Contact Us

WEEKLY HIGHLIGHTS

With the Harvest Nearly Complete, Barge Grain Movements Up

As of October 21, 87 percent of the corn crop and 80 percent of the soybean crop has been harvested. As the active harvest period ends, barge movements have increased. During the week ending October 20, **barge grain movements** totaled 755,800 tons, 32 percent higher than the previous week and 11 percent higher than the same week last year. Soybeans were 71 percent of the tonnage; over a 5-year average, soybeans represent 15 percent of the third quarter weekly tonnage and corn represents 76 percent. During the week ending October 20, 482 grain barges **moved down river**, up 26 percent from last week; 814 grain barges were **unloaded in New Orleans**, up 14 percent from the previous week. The surge in soybeans caused barge rates from St. Louis to New Orleans to increase 23 percent from October 16 to 23. According to barge operators, if more corn had been delivered to the river, barge rates would have spiked even higher.

Mississippi Gulf Grain Inspections Highest Since February

For the week ending October 18, total inspections of grain (wheat, corn, and soybeans) for export from the Mississippi Gulf ports reached 1.33 million metric tons (mmt), up 22 percent from the previous week and 22 percent above last year at this time. Grain inspections in the Mississippi Gulf were the highest since February 2 (1.41 mmt). Soybean inspections (1.0 mmt) increased 48 percent from the past week and accounted for 75 percent of total grain inspected in the region. Total wheat inspections (.447 mmt) jumped 134 percent from the past week, with increased shipments to Nigeria and Mexico. Corn inspections (.244 mmt) dropped 45 percent from the previous week. **Total inspections** of grain (wheat, corn, and soybeans) for export from major U.S. ports reached 2.37 mmt, up 7 percent from the previous week but 3 percent below last year at this time.

New Rules for Transportation Workers Identification Credential (TWIC) Extended Expiration Date Program

The Transportation Security Administration (TSA) recently posted a web notice stating, "Due to the large number of transportation workers requesting extended expiration date (EED) TWICs, TSA requests that you order an EED TWIC no sooner than 4 months prior to your current TWIC expiration date. If your card expires within 4 months and you would like to order an EED TWIC, please call the TWIC Help Desk at 1-866-DHS-TWIC (1-866-347-8942)." In August, TSA began offering eligible TWIC holders the opportunity to replace their expiring TWICs with a 3-year extended expiration date (EED) TWIC for a reduced fee of \$60. The TWIC holder must be a U.S. citizen or U.S. national with a TWIC expiration date on or before December 31, 2014.

Snapshots by Sector

Rail

U.S. railroads originated 22,230 **carloads of grain** during the week ending October 13, up 6 percent from last week, down 6 percent from last year, and 7 percent lower than the 3-year average.

During the week ending October 18, average November non-shuttle **secondary railcar bids/offers per car** were at tariff, unchanged from last week, and \$33 higher than last year. Average shuttle bids/offers were \$219 below tariff, down \$100 from last week, and \$31 higher than last year.

Ocean

During the week ending October 18, 46 **ocean-going grain vessels** were loaded in the Gulf, up 18 percent from the same period last year. Sixty vessels are expected to be loaded within the next 10 days, 5 percent more than the same period last year.

During the week ending October 19, the **ocean freight rate** for shipping bulk grain from the Gulf to Japan was \$49 per mt, unchanged from the previous week. The cost of shipping from the Pacific Northwest to Japan was \$28 per mt, up 4 percent from the previous week.

Fuel

During the week ending October 22, U.S. average **diesel fuel prices** decreased 3 cents to \$4.12 per gallon—29 cents higher than the same week last year.

October 25, 2012

Contents

Article/
Calendar

Grain
Transportation
Indicators

Rail

Barge

Truck

Exports

Ocean

Brazil

Mexico

Grain Truck/Ocean
Rate Advisory

Data Links

Specialists

Subscription
Information

The next
release is
November 1, 2012

Feature Article/Calendar

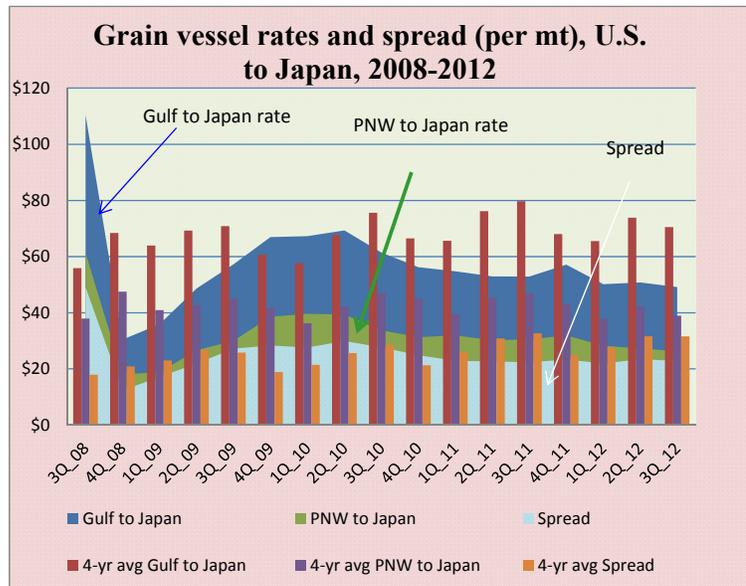
Excess Vessel Supply and Weak Global Freight Demand Lower Ocean Freight Rates

Third quarter ocean freight rates for shipping bulk commodities, including grains, continued their downward trend because of persistent excess dry bulk vessel supply and weak global demand for shipping bulk commodities. Despite the sluggish bulk market, new vessel deliveries continued to outpace the scrapping of older vessels, resulting in a net addition to the existing fleet. As of October 5, O'Neil Commodity Consulting reported that 82.6 million deadweight tons (mdwt) of new vessel deliveries were added, but only 24.1 mdwt were scrapped during the first 8 months of 2012, a net cargo capacity gain of 58.5 mdwt. In addition, demand for transportation of bulk commodities such as iron ore, coal, and grain has been hampered by weather, labor, and industrial and global economic issues. During the third quarter, ocean freight rates for shipping bulk grain from the U.S. Gulf to Japan

Ocean freight rates for grain routes during third quarter 2012							
Route	July	Aug.	Sept.	3d quarter 2012	Change from		
					2d qtr '12	3d qtr '11	4-yr avg
	--\$/mt--			--\$/mt--	Percent		
U.S. Gulf to Japan	50.25	49.80	47.50	49.18	-3.2	-7	-30
PNW to Japan	28.13	26.80	24.00	26.31	-3.6	-14	-32
Spread	22.12	23.00	23.50	22.87	-3	2	-28
U.S. Gulf to Europe	23.13	21.80	20.50	21.81	5	-9	-30

Source: O'Neil Commodity Consulting

averaged \$49.18 per metric ton (mt)—3 percent lower than the previous quarter, 7 percent below last year, and 30 percent lower than the 4-year average (see table). The cost of shipping from the Pacific Northwest (PNW) to Japan was \$26.31 per mt—4 percent lower than previous quarter, 14 percent below last year, and 32 percent lower than the 4-year average. The cost of shipping from the Gulf to Europe averaged \$21.81 per mt—5 percent higher than the previous quarter, 9 percent below last year, and 30 percent lower than the 4-year average. The spread between the Gulf-to-Japan and PNW-to-Japan rates was \$22.87 per mt. The spread is 2 percent above last year, but 3 percent below last quarter and 28 percent less than the 4-year average (see table and figure). Compared to last year, the spread and shares of grain shipments from the Gulf and PNW have been relatively stable (see [GTR, dated 10/18/12](#)).



The quarter began in July with a slight increase in ocean freight rates due to increased activities and voyages from the Far East to coal-rich East Australia. However, the rate increase could not be sustained because of the Chinese economic slowdown and willingness to substitute domestic for foreign coal, which affected demand for dry bulk vessels. The bulk market remained weak through August as Chinese steel mills cut production and, consequently, the demand for iron ore. Global steel production declined 4 percent from the same period last year. The drought in the United States, the worst in more than 50 years, caused lower supplies and higher grain prices, resulting in a slowdown in grain trade. The dry bulk market continued its downward path in September as market activity and rates fell further. A railway strike in Colombia caused thermal coal exports to fall by 20 percent, and steel

production declined due to weak European demand. Major Chinese ports reduced their restocking of coal towards the end of the month.

Market Outlook: Since the end of the third quarter, ocean rates have remained low. As of October 19, the rate for shipping grain from the Gulf to Japan was \$49 per mt, and the rate from PNW to Japan was \$28 per mt. The Gulf and PNW rates are 17 and 20 percent, respectively, below this time last year. Market activities indicate rates are likely to remain low in the near term. The bulk market is still experiencing an excess supply of vessels. Due to unfavorable weather across the major grain exporting nations, market analysts do not expect an improvement in the global grain trade during the last few months of 2012. According to a Drewry report, Chinese thermal coal imports are expected to slow because of recently announced contract defaults and deferrals from importers. In India, a 30 percent government-imposed export duty is expected to reduce Indian iron ore exports. Many coal miners in Indonesia have cut back their 2012 output targets in anticipation of slow seasonal import demand from China. Argentina's harvest is expected to be smaller because of excessive frost blight which affected wheat plantations. Finally, declining new building prices and incentives offered by shipyards are luring owners to order more vessels in anticipation of better long-term returns in the future. The accumulation of these scenarios is exerting downward pressure on ocean freight rates. This may be beneficial to grain farmers and shippers as the U.S. grain harvest progresses (see **GTR, dated 10/18/12**). surajudeen.olowolayemo@ams.usda.gov

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
10/24/12	276	232	199	327	219	199
10/17/12	279	232	204	278	219	191

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)

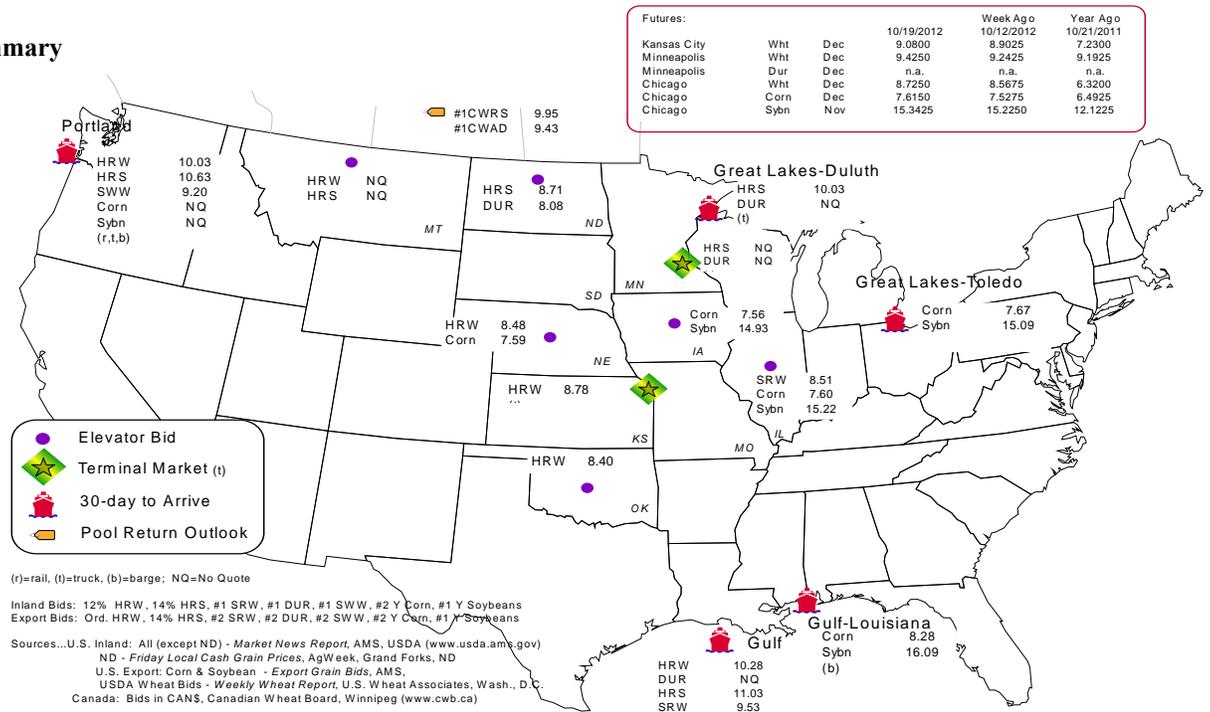
Commodity	Origin--Destination	10/19/2012	10/12/2012
Corn	IL--Gulf	-0.68	-0.71
Corn	NE--Gulf	-0.69	-0.71
Soybean	IA--Gulf	-1.16	-1.25
HRW	KS--Gulf	-1.50	-1.55
HRS	ND--Portland	-1.92	-1.97

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	
10/17/2012 ^p	1,905	737	n/a	3,366	766	6,875
10/10/2012 ^r	1,439	740	n/a	4,682	856	8,149
2012 YTD ^r	12,419	33,543	n/a	162,924	14,211	263,764
2011 YTD ^r	24,508	71,619	n/a	147,495	18,027	299,697
2012 YTD as % of 2011 YTD	51	47	n/a	110	79	88
Last 4 weeks as % of 2011 ²	234	96	n/a	138	216	130
Last 4 weeks as % of 4-year avg. ²	107	63	n/a	107	94	92
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.

*Data is unavailable.

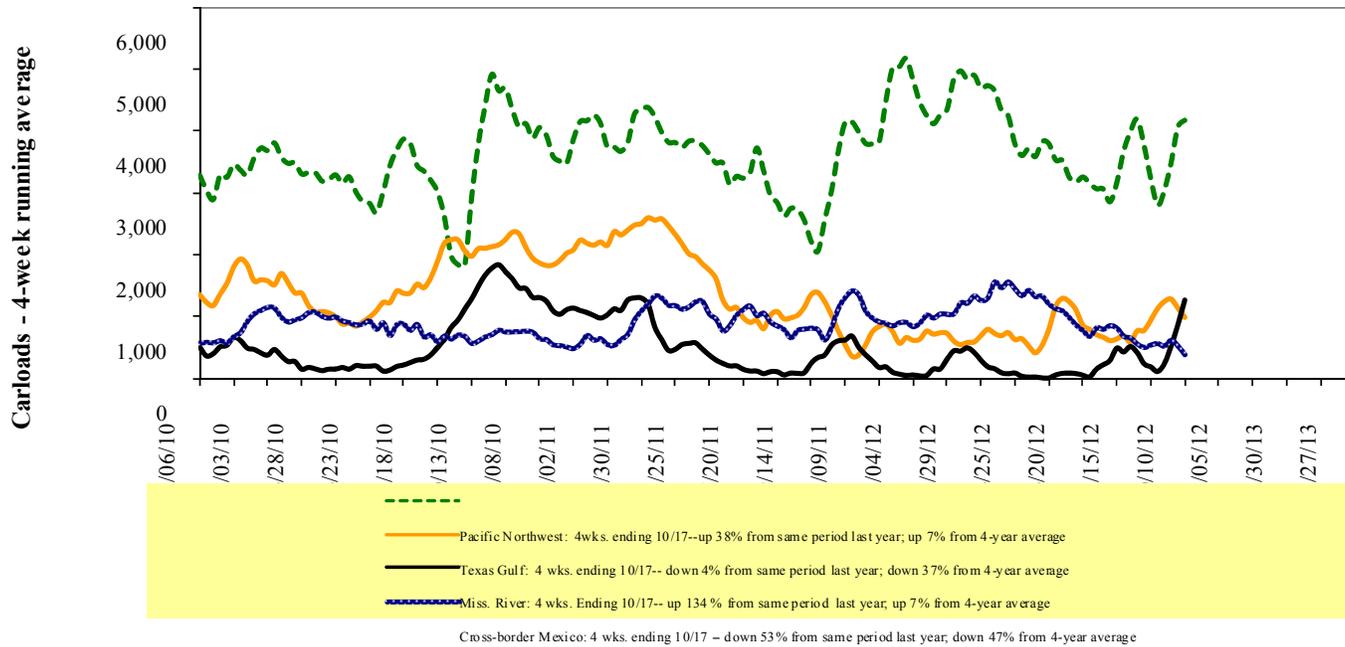
YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available

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

R



Source: Transportation & Marketing Programs/AMS/USDA

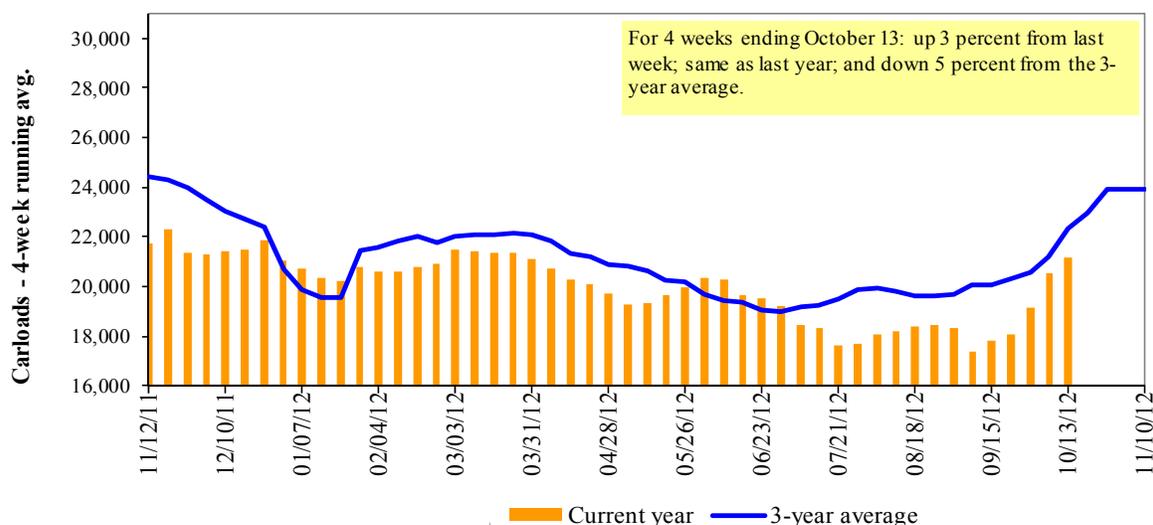
Table 4

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
10/13/12	1,753	3,183	11,976	338	4,980	22,230	4,370	5,358
This week last year	2,448	3,858	10,459	754	6,178	23,697	4,787	5,586
2012 YTD	66,891	113,285	405,526	20,912	203,364	809,978	158,011	199,347
2011 YTD	72,691	118,146	430,701	28,661	237,806	888,005	156,415	207,824
2012 YTD as % of 2011 YTD	92	96	94	73	86	91	101	96
Last 4 weeks as % of 2011 ¹	83	93	116	47	88	100	102	113
Last 4 weeks as % of 3-yr avg. ¹	68	88	110	50	79	93	102	109
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							
	Nov-12	Nov-11	Dec-12	Dec-11	Jan-13	Jan-12	Feb-13	Feb-12
10/18/2012								
BNSF ³								
COT grain units	0	no bids	no bids	no bids	no offer	no bids	no offer	n/a
COT grain single-car ⁵	1 . . 8	no bids	1 . . 10	0	no offer	0	no offer	n/a
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	1	n/a	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	n/a	n/a	n/a

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

²Average premium/discount to tariff, last auction

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

⁴UP - GCAS = Grain Car Allocation System

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

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

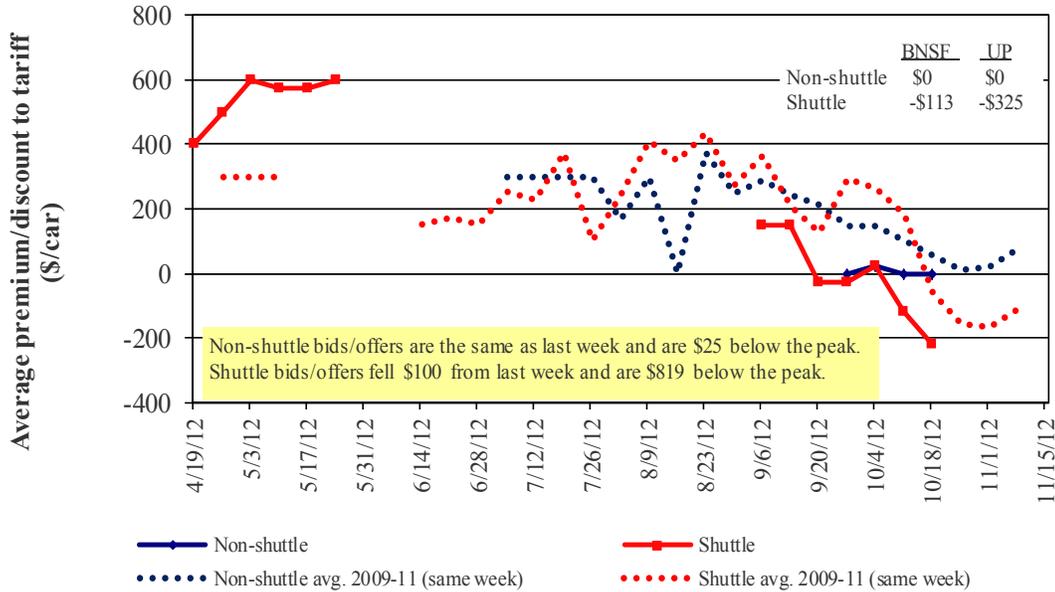
⁵Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

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

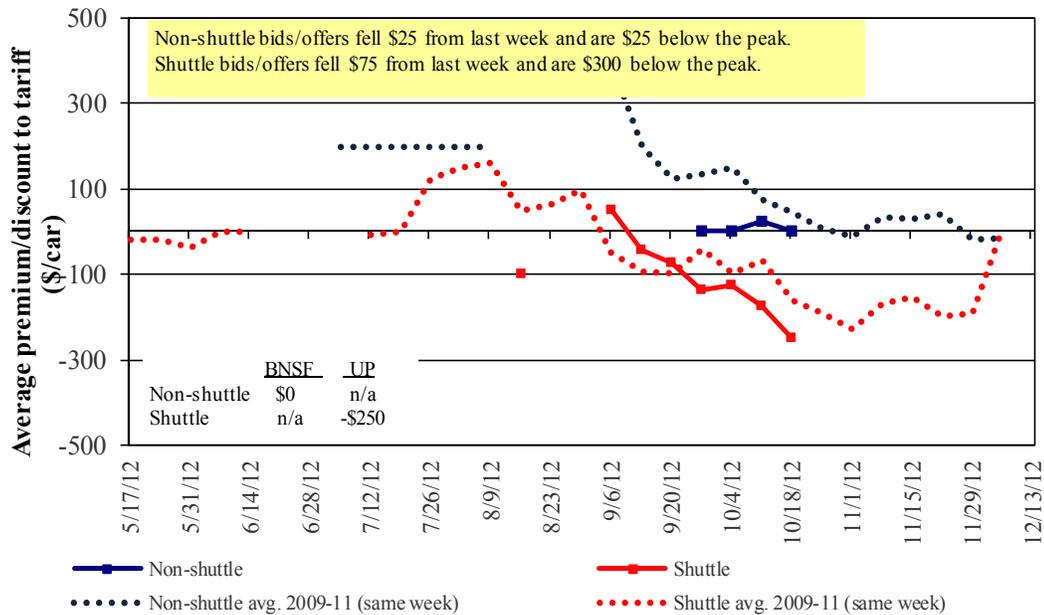


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

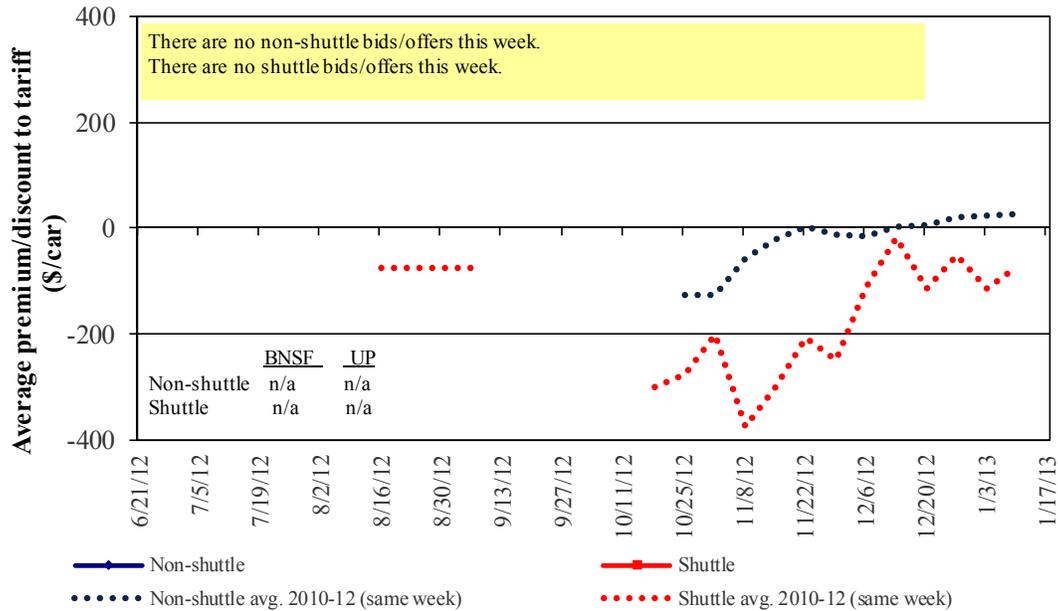


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in January 2013, 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					
	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13
Non-shuttle						
BNSF-GF	-	-	n/a	n/a	n/a	n/a
Change from last week	-	(25)	n/a	n/a	n/a	n/a
Change from same week 2011	33	-	n/a	n/a	n/a	n/a
UP-Pool	-	n/a	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	33	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(113)	n/a	n/a	n/a	n/a	n/a
Change from last week	(25)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	187	n/a	n/a	n/a	n/a	n/a
UP-Pool	(325)	(250)	n/a	n/a	n/a	n/a
Change from last week	(175)	(100)	n/a	n/a	n/a	n/a
Change from same week 2011	(125)	(50)	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
10/1/2012	Origin region*	Destination region*	Tariff rate/car	surcharge per car	metric ton	bushe ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,144	\$192	\$33.13	\$0.90	5
	Grand Forks, ND	Duluth-Superior, MN	\$3,445	\$113	\$35.34	\$0.96	11
	Wichita, KS	Los Angeles, CA	\$6,026	\$581	\$65.61	\$1.79	6
	Wichita, KS	New Orleans, LA	\$3,645	\$338	\$39.56	\$1.08	4
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$477	\$60.08	\$1.64	3
	Northwest KS	Galveston-Houston, TX	\$3,912	\$371	\$42.53	\$1.16	4
	Amarillo, TX	Los Angeles, CA	\$4,112	\$516	\$45.95	\$1.25	4
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,110	\$382	\$34.68	\$0.94	2
	Toledo, OH	Raleigh, NC	\$4,508	\$433	\$49.07	\$1.34	14
	Des Moines, IA	Davenport, IA	\$2,006	\$81	\$20.72	\$0.56	4
	Indianapolis, IN	Atlanta, GA	\$3,920	\$325	\$42.15	\$1.15	15
	Indianapolis, IN	Knoxville, TN	\$3,354	\$209	\$35.38	\$0.96	18
Soybeans	Des Moines, IA	Little Rock, AR	\$3,154	\$238	\$33.68	\$0.92	3
	Des Moines, IA	Los Angeles, CA	\$5,065	\$693	\$57.18	\$1.56	2
	Minneapolis, MN	New Orleans, LA	\$3,269	\$425	\$36.68	\$1.00	-3
	Toledo, OH	Huntsville, AL	\$3,575	\$308	\$38.56	\$1.05	3
	Indianapolis, IN	Raleigh, NC	\$4,578	\$436	\$49.79	\$1.36	3
Indianapolis, IN	Huntsville, AL	\$3,267	\$209	\$34.51	\$0.94	3	
Champaign-Urbana, IL	New Orleans, LA	\$3,599	\$382	\$39.54	\$1.08	6	
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,481	\$334	\$37.89	\$1.03	8
	Wichita, KS	Galveston-Houston, TX	\$3,634	\$260	\$38.67	\$1.05	15
	Chicago, IL	Albany, NY	\$3,771	\$406	\$41.48	\$1.13	4
	Grand Forks, ND	Portland, OR	\$4,963	\$578	\$55.02	\$1.50	6
	Grand Forks, ND	Galveston-Houston, TX	\$5,984	\$602	\$65.40	\$1.78	5
	Northwest KS	Portland, OR	\$4,793	\$608	\$53.63	\$1.46	2
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$703	\$54.65	\$1.49	1
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$644	\$53.67	\$1.46	1
	Champaign-Urbana, IL	New Orleans, LA	\$2,857	\$382	\$32.17	\$0.88	0
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$375	\$36.60	\$1.00	1
	Des Moines, IA	Amarillo, TX	\$3,430	\$299	\$37.03	\$1.01	0
	Minneapolis, MN	Tacoma, WA	\$4,800	\$698	\$54.59	\$1.49	1
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,200	\$722	\$48.87	\$1.33	1
	Sioux Falls, SD	Tacoma, WA	\$5,340	\$644	\$59.43	\$1.62	6
	Minneapolis, MN	Portland, OR	\$5,330	\$703	\$59.91	\$1.63	6
	Fargo, ND	Tacoma, WA	\$5,230	\$573	\$57.62	\$1.57	6
	Council Bluffs, IA	New Orleans, LA	\$3,870	\$441	\$42.81	\$1.17	4
	Toledo, OH	Huntsville, AL	\$2,750	\$308	\$30.36	\$0.83	3
Grand Island, NE	Portland, OR	\$5,195	\$622	\$57.77	\$1.57	14	

¹A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of

75-120 cars that meet railroad efficiency requirements.

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

³Percentage change year over year calculated using tariff rate plus fuel surcharge

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

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

Table 8

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

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel		Percent change Y/Y ⁴	
				surcharge per car ²	Tariff plus surcharge per: metric ton ³ bushel ³		
Wheat	MT	Chihuahua, CI	\$7,741	\$611	\$85.34	\$2.32	4
	OK	Cuautitlan, EM	\$6,837	\$742	\$77.44	\$2.11	5
	KS	Guadalajara, JA	\$7,444	\$717	\$83.39	\$2.27	1
	TX	Salinas Victoria, NL	\$3,743	\$280	\$41.10	\$1.12	3
Corn	IA	Guadalajara, JA	\$7,699	\$843	\$87.28	\$2.21	3
	SD	Penjamo, GJ	\$7,776	\$800	\$87.62	\$2.22	7
	NE	Queretaro, QA	\$7,153	\$749	\$80.74	\$2.05	2
	SD	Salinas Victoria, NL	\$5,700	\$608	\$64.45	\$1.64	2
	MO	Tlalnepantla, EM	\$6,592	\$728	\$74.79	\$1.90	6
	SD	Torreon, CU	\$6,522	\$670	\$73.48	\$1.86	5
Soybeans	MO	Bojay (Tula), HG	\$7,580	\$711	\$84.72	\$2.30	10
	NE	Guadalajara, JA	\$8,134	\$814	\$91.42	\$2.49	5
	IA	El Castillo, JA ⁵	\$8,555	\$795	\$95.53	\$2.60	10
	KS	Torreon, CU	\$6,651	\$505	\$73.11	\$1.99	6
Sorghum	OK	Cuautitlan, EM	\$5,730	\$607	\$64.75	\$1.64	2
	TX	Guadalajara, JA	\$6,653	\$520	\$73.29	\$1.86	1
	NE	Penjamo, GJ	\$7,426	\$726	\$83.29	\$2.11	2
	KS	Queretaro, QA	\$6,460	\$456	\$70.66	\$1.79	3
	NE	Salinas Victoria, NL	\$5,178	\$534	\$58.36	\$1.48	5
	NE	Torreon, CU	\$6,068	\$596	\$68.09	\$1.73	1

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

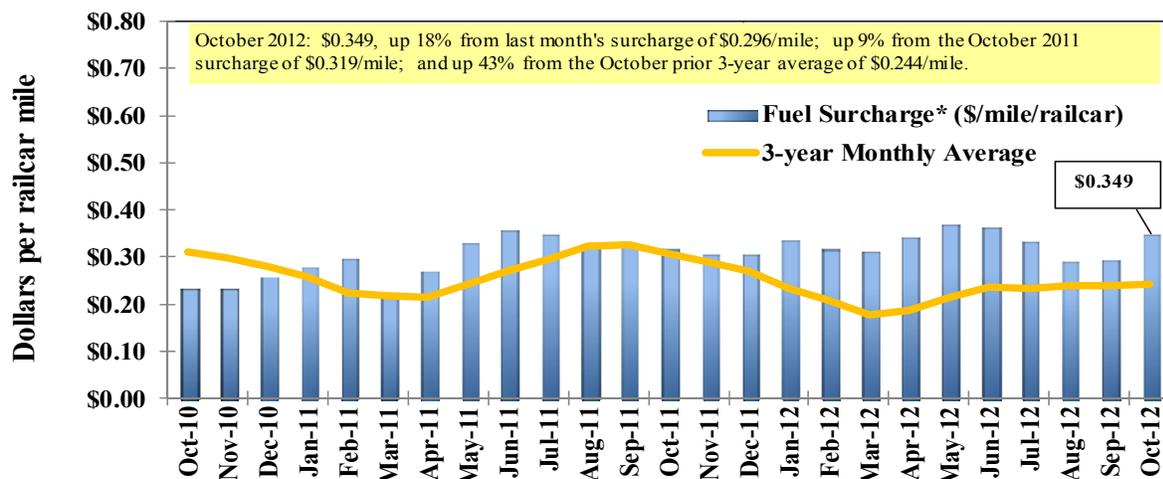
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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.

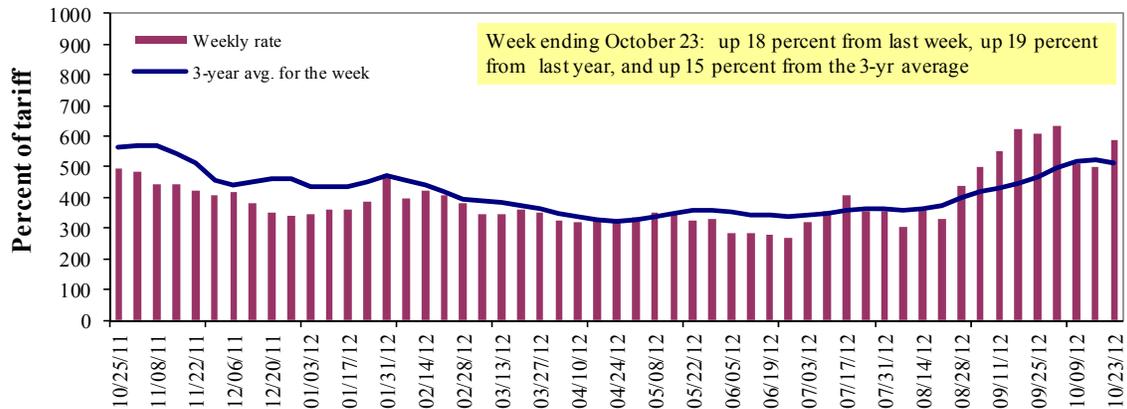
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

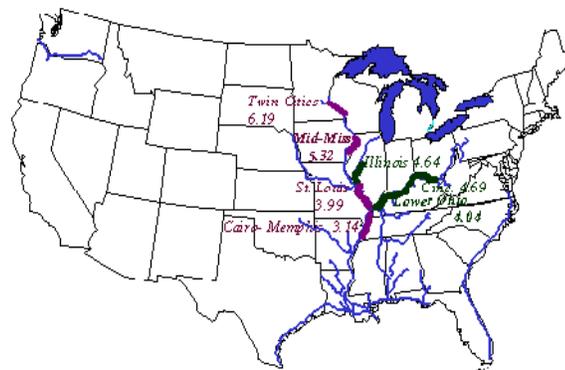
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	10/23/2012	640	563	588	613	570	570	663
	10/16/2012	525	500	500	500	550	550	425
\$/ton	10/23/2012	39.62	29.95	27.28	24.46	26.73	23.03	20.82
	10/16/2012	32.50	26.60	23.20	19.95	25.80	22.22	13.35
Current week % change from the same week:								
	Last year	25	13	19	58	20	20	89
	3-year avg. ²	16	7	15	37	7	7	59
Rate¹	November	563	473	458	423	453	453	388
	January	-	-	430	345	398	398	325

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



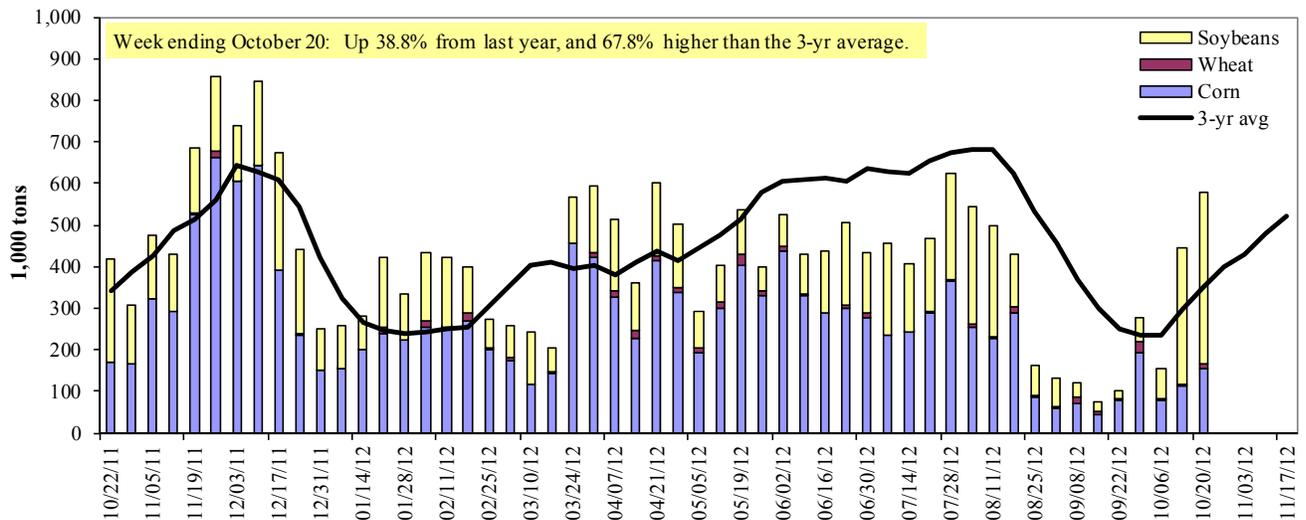
Calculating barge rate per ton:

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

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 10/20/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	86	3	141	0	231
Winfield, MO (L25)	113	11	305	0	429
Alton, IL (L26)	144	11	399	0	554
Granite City, IL (L27)	154	11	414	0	578
Illinois River (L8)					
	8	0	39	0	47
Ohio River (L52)					
	25	0	87	9	121
Arkansas River (L1)					
	0	21	35	0	56
Weekly total - 2012	179	32	536	9	756
Weekly total - 2011	287	13	362	20	682
2012 YTD ¹	12,721	1,631	8,584	212	23,148
2011 YTD	15,107	1,270	5,642	322	22,342
2012 as % of 2011 YTD	84	128	152	66	104
Last 4 weeks as % of 2011 ²	57	57	169	53	102
Total 2011	19,921	1,460	8,553	422	30,356

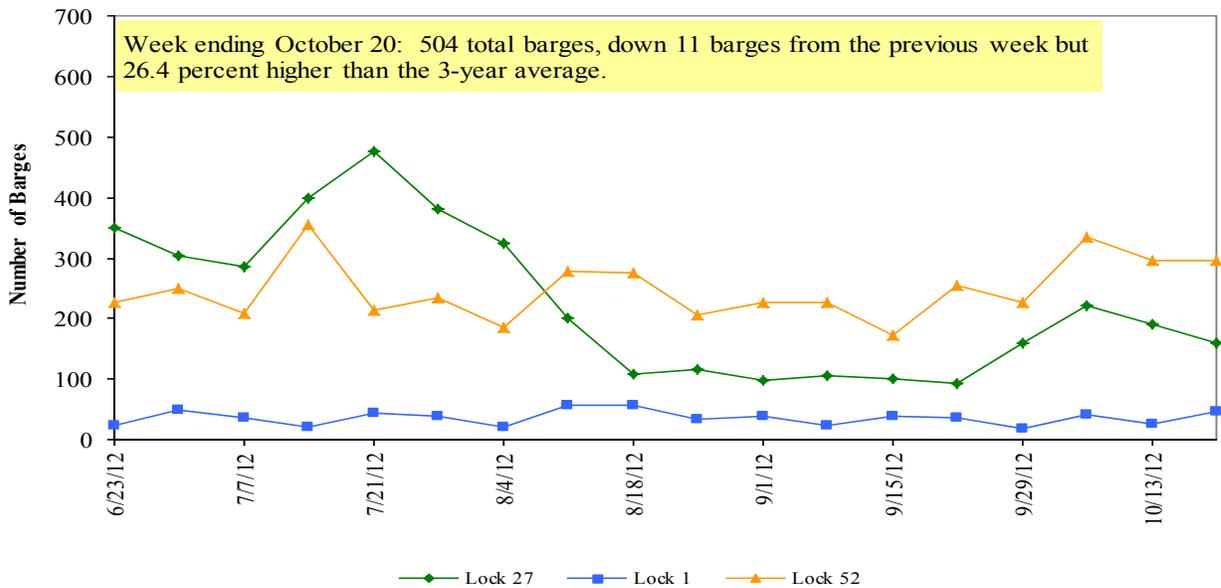
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

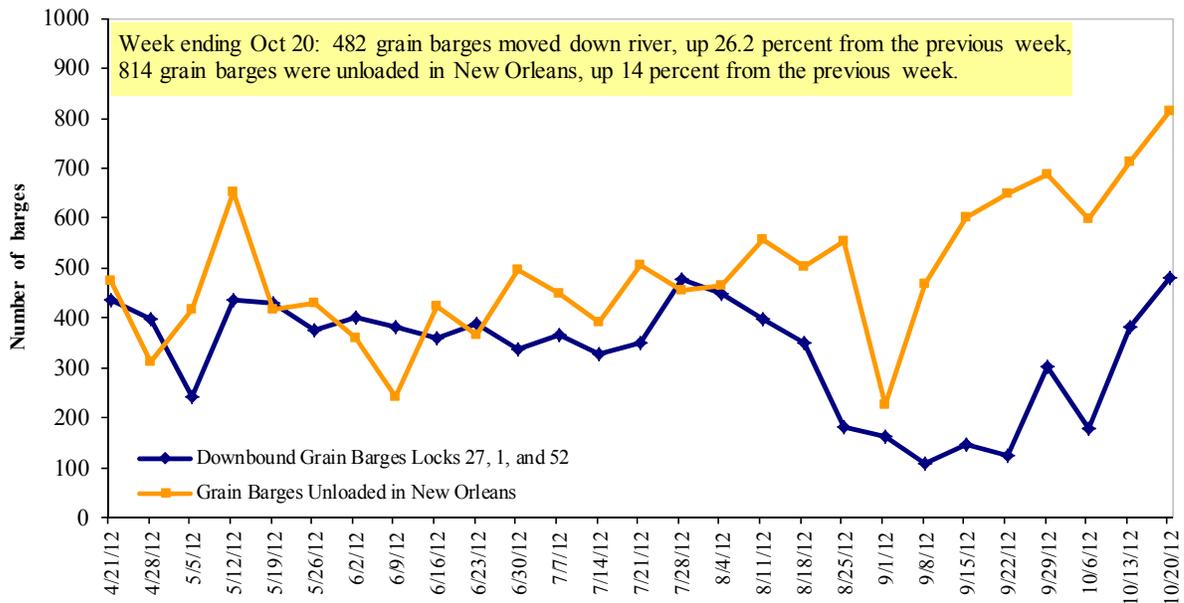
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webprts/default.asp)

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 10/22/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.108	-0.020	0.276
	New England	4.243	0.005	0.318
	Central Atlantic	4.203	-0.005	0.257
	Lower Atlantic	4.011	-0.036	0.236
II	Midwest ²	4.101	-0.049	0.319
III	Gulf Coast ³	3.999	-0.023	0.254
IV	Rocky Mountain	4.243	-0.025	0.334
V	West Coast	4.298	-0.048	0.249
	West Coast less California	4.195	-0.043	-
	California	4.385	-0.052	0.289
Total	U.S.	4.116	-0.034	0.291

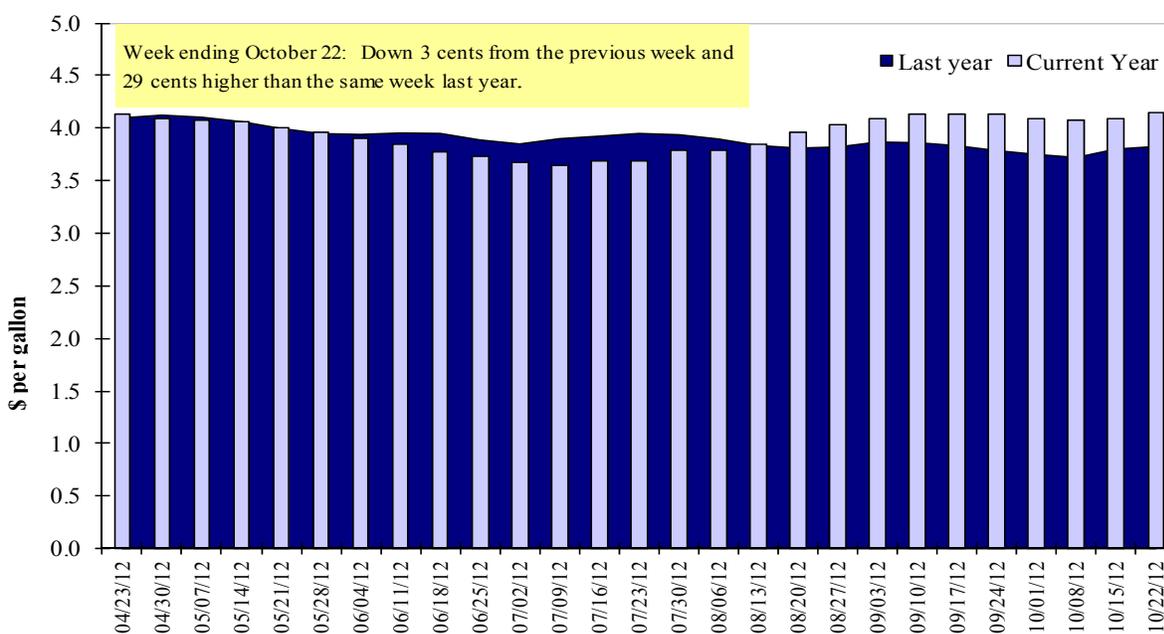
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
10/11/2012	1,408	619	1,116	789	104	4,036	7,563	19,790	31,389
This week year ago	1,426	769	1,302	1,002	78	4,577	15,829	15,084	35,490
Cumulative exports-marketing year²									
2012/13 YTD	3,924	1,345	2,443	1,782	241	9,735	3,037	4,701	17,473
2011/12 YTD	4,687	1,407	2,753	1,890	237	10,974	4,302	3,000	18,276
YTD 2012/13 as % of 2011/12	84	96	89	94	102	89	71	157	96
Last 4 wks as % of same period 2011/12	93	84	85	76	131	86	51	138	92
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year begins for corn and soybeans

Note: YTD = year-to-date. Marketing Year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers¹ of U.S. Corn

Week ending 10/11/12	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	2,804	4,294	(35)	12,367
Mexico	2,588	3,721	(30)	9,617
China	1,099	1,923	(43)	5,414
Korea	354	1,683	(79)	3,639
Venezuela	172	121	42	1,332
Top 5 importers	7,017	11,742	(40)	32,369
Total US corn export sales	10,600	20,131	(47)	39,120
% of Projected	36%	51%		
Change from prior week	167	1,763		
Top 5 importers' share of U.S. corn export sales	66%	58%		83%
USDA forecast, October 2012	29,210	39,120	(25)	
Corn Use for Ethanol USDA forecast, Ethanol October 2012	114,300	127,000	(10)	

(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 10/11/2012	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 -
China	15,067	12,659	19	24,602
Mexico	847	1,030	(18)	3,180
Japan	652	647	1	1,891
Indonesia	340	446	(24)	1,741
Egypt	218	175	24	1,292
Top 5 importers	17,123	14,956	14	32,706
Total US soybean export sales	24,492	18,085	35	37,010
% of Projected	71%	49%		
Change from prior week	523	595		
Top 5 importers' share of U.S. soybean export sales	70%	83%		
USDA forecast, October 2012	34,430	37,010	(7)	

(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/³ FAS 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 10/11/2012	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	1,815	2,092	(13)	3,512
Mexico	1,901	1,977	(4)	3,496
Nigeria	1,665	1,716	(3)	3,248
Philippines	1,320	1,329	(1)	2,039
Korea	910	632	44	1,983
Egypt	148	247	(40)	950
Taiwan	551	455	21	888
Indonesia	346	462	(25)	830
Venezuela	436	329	33	594
Iraq	209	572	(63)	572
Top 10 importers	9,300	9,810	(5)	18,111
Total US wheat export sales	13,771	15,551	(11)	28,560
% of Projected	44%	54%		
Change from prior week	410	399		
Top 10 importers' share of U.S. wheat export sales	68%	63%		63%
USDA forecast, October 2012	31,300	28,560	10	

(n) indicates negative number.

¹ Modified from the FAS 2011/12 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.² Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/³ FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

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

Port regions	Week ending 10/18/12	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	153	58	262	11,032	11,837	93	66	69	13,995
Corn	0	6	7	5,010	7,063	71	30	5	9,198
Soybeans	419	568	74	7,453	4,939	151	154	133	7,321
Total	573	633	90	23,496	23,839	99	112	100	30,513
Mississippi Gulf									
Wheat	129	42	305	4,726	4,378	108	112	108	5,031
Corn	199	372	53	15,862	21,458	74	58	57	26,267
Soybeans	1,000	677	148	15,768	12,606	125	192	150	19,262
Total	1,328	1,091	122	36,357	38,442	95	111	100	50,560
Texas Gulf									
Wheat	117	17	708	5,138	9,817	52	100	71	10,837
Corn	0	0	n/a	336	832	40	29	7	1,021
Soybeans	72	94	77	236	763	31	n/a	104	926
Total	190	111	171	5,710	11,412	50	141	73	12,784
Interior									
Wheat	28	27	104	995	927	107	192	178	1,110
Corn	43	66	66	5,519	5,750	96	89	71	7,509
Soybeans	81	185	44	3,443	3,404	101	58	106	4,273
Total	153	279	55	9,957	10,081	99	137	96	12,892
Great Lakes									
Wheat	19	19	102	371	869	43	125	39	1,038
Corn	0	0	n/a	56	159	35	0	0	178
Soybeans	48	50	96	317	101	314	213	91	382
Total	67	69	97	744	1,129	66	164	61	1,598
Atlantic									
Wheat	0	28	0	341	652	52	2,597	125	686
Corn	2	0	n/a	135	234	58	23	9	295
Soybeans	62	14	443	709	523	135	241	174	1,042
Total	63	41	153	1,185	1,409	84	192	78	2,022
U.S. total from ports²									
Wheat	447	191	234	22,603	28,481	79	89	76	32,697
Corn	244	444	55	26,919	35,496	76	58	53	44,466
Soybeans	1,682	1,589	106	27,926	22,337	125	168	135	33,205
Total	2,373	2,224	107	77,448	86,313	90	111	94	110,369

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

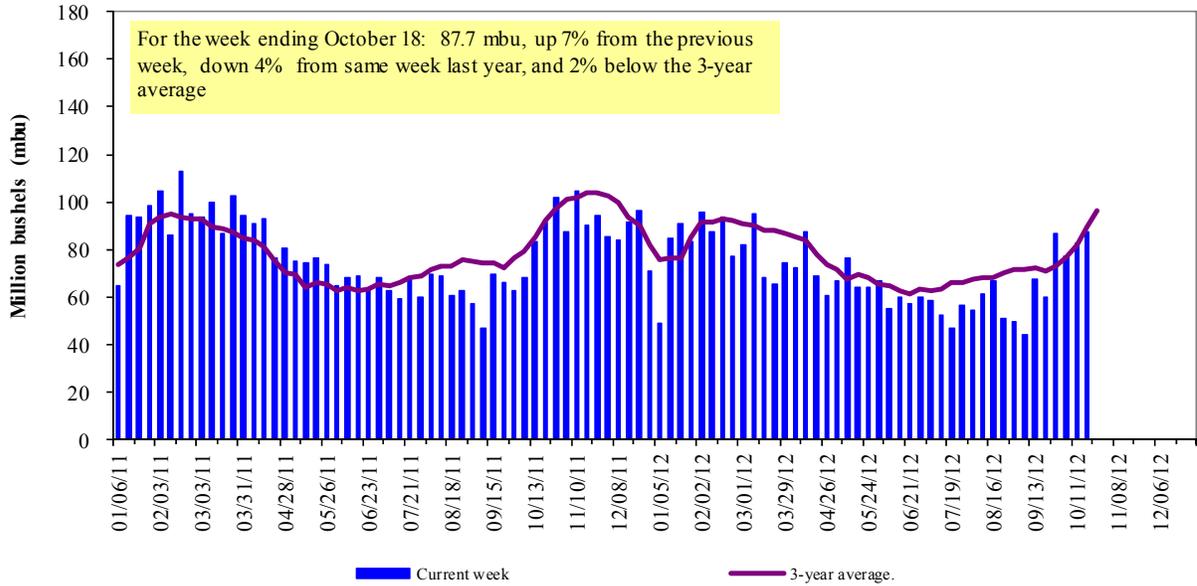
² Total includes only port regions shown above; Interior land-based shipments now included.

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

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

Figure 14

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

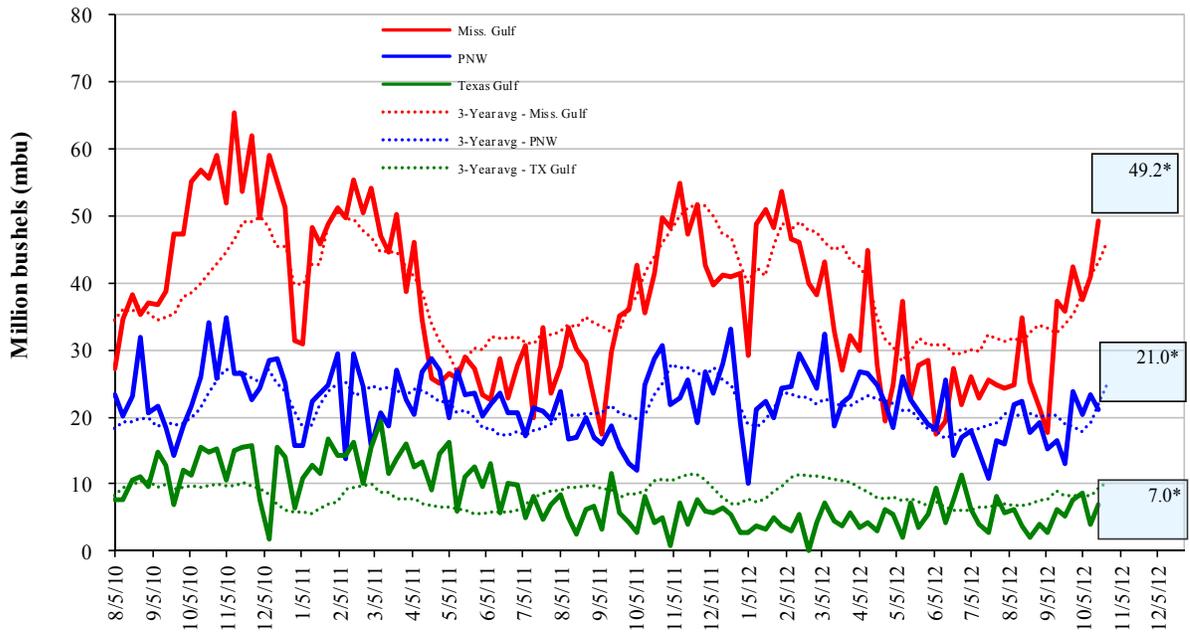


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

<u>October 18 % change from:</u>	<u>MSGulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	up 20	up 71	up 25	down 10
Last year (same week)	up 19	up 62	up 23	down 27
3-yr avg. (4-wk mov. avg.)	up 14	down 27	up 79	down 27

Ocean Transportation

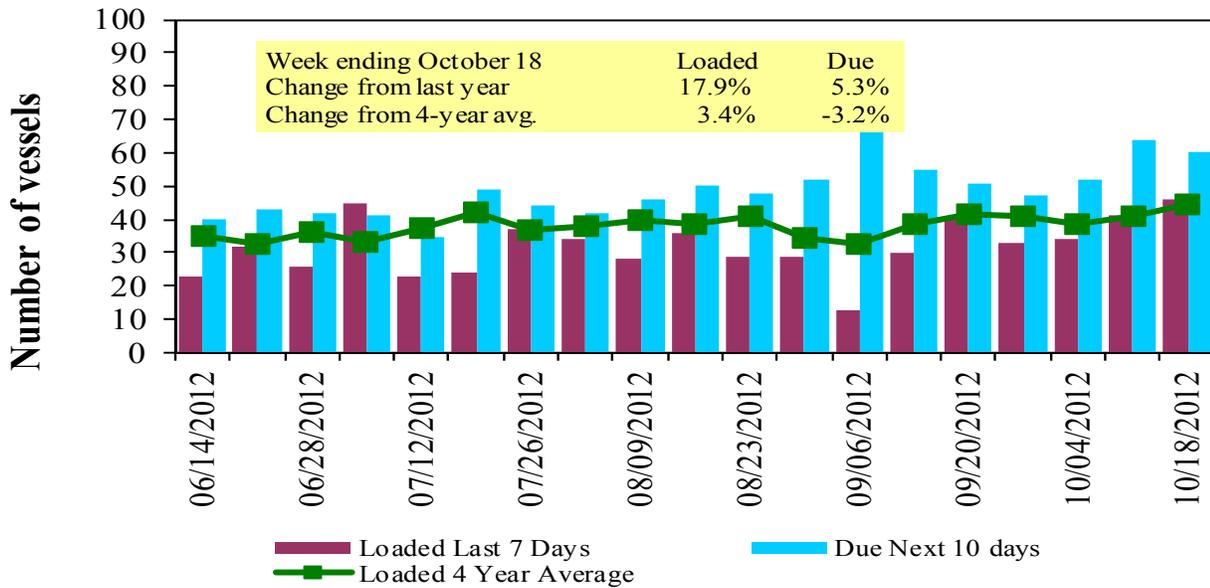
Table 17

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
10/18/2012	49	46	60	16	n/a
10/11/2012	50	41	64	12	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

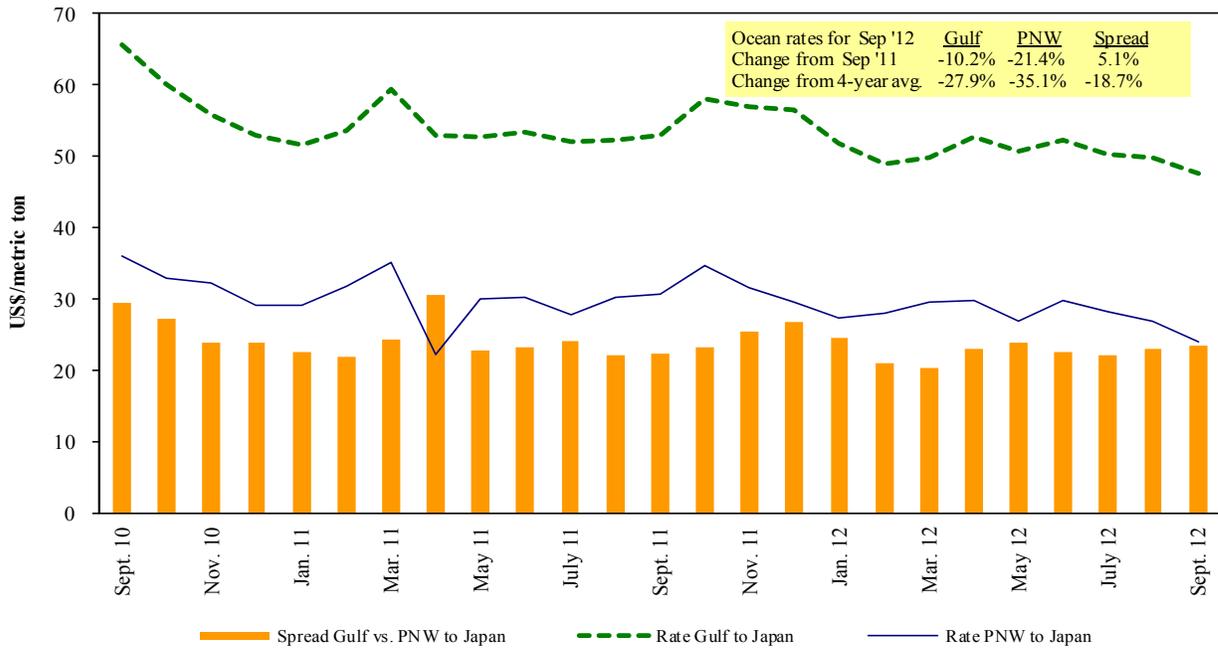
Figure 16
U.S. Gulf^d Vessel Loading Activity



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 10/20/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Nov 10/20	55,000	46.00
U.S. Gulf	China	Heavy Grain	Nov 9/19	55,000	48.00
U.S. Gulf	China	Heavy Grain	Nov 5/10	55,000	46.00
U.S. Gulf	China	Heavy Grain	Oct 20/30	55,000	43.75
U.S. Gulf	China	Heavy Grain	Oct 15/24	5,500	43.00
U.S. Gulf	China	Heavy Grain	Sep 20/30	55,000	48.00
U.S. Gulf	China	Heavy Grain	Sep 13/22	55,000	45.50
U.S. Gulf	Mozambique ¹	Wheat	Sep 20/30	10,000	211.50
India	S.Korea	Wheat	Oct5/15	55,000	15.00
Mexico	Turkey	Wheat	Sep 10/25	55,000	24.75
River Plate	Tunisia	Heavy Grain	Oct 5/15	30,000	28.50
River Plate	Tunisia	Soybean Meal	Sep 1/10	25,000	36.00

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

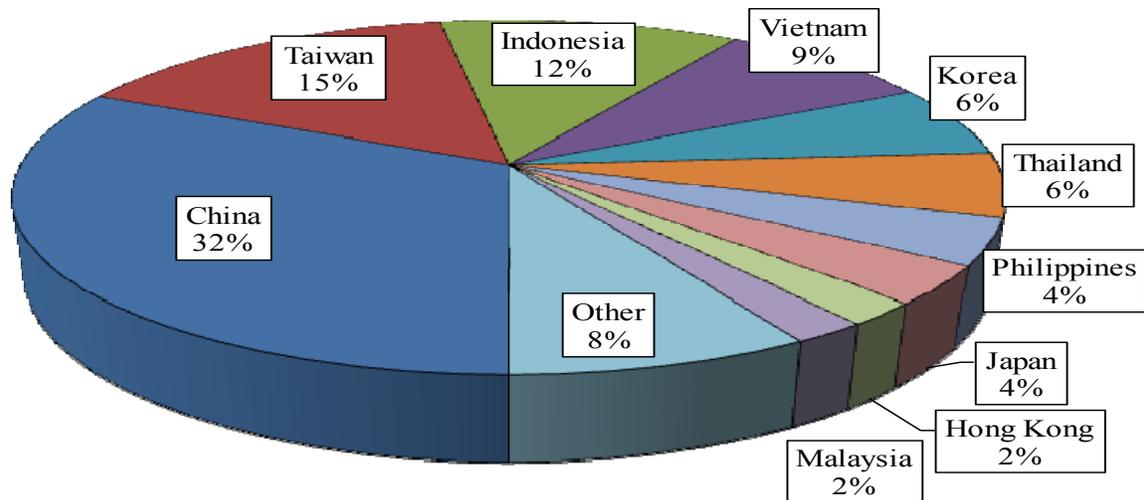
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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 in containers, 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, July 2012

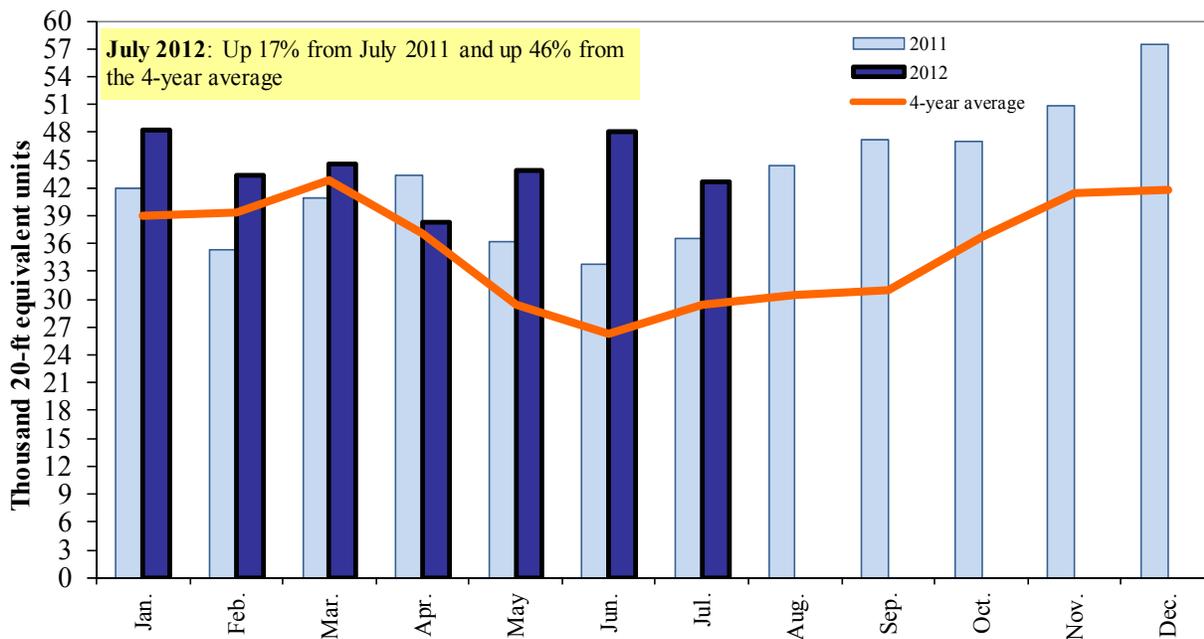


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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.

Contacts and Links

Coordinators

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119
Pierre Bahizi pierre.bahizi@ams.usda.gov (202) 690 - 0992
Adam Sparger adam.sparger@ams.usda.gov (202) 205 - 8701

Weekly Highlight Editors

Marina Denicoff marina.denicoff@ams.usda.gov (202) 690 - 3244
Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119
April Taylor april.taylor@ams.usda.gov (202) 295 - 7374
Nicholas Marathon nick.marathon@ams.usda.gov (202) 690 - 4430

Grain Transportation Indicators

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119

Rail Transportation

Marvin Prater marvin.prater@ams.usda.gov (202) 720 - 0299
Johnny Hill johnny.hill@ams.usda.gov (202) 690 - 3295
Adam Sparger adam.sparger@ams.usda.gov (202) 205 - 8701

Barge Transportation

Nicholas Marathon nick.marathon@ams.usda.gov (202) 690 - 4430
April Taylor april.taylor@ams.usda.gov (202) 295 - 7374

Truck Transportation

April Taylor april.taylor@ams.usda.gov (202) 295 - 7374

Grain Exports

Johnny Hill johnny.hill@ams.usda.gov (202) 690 - 3295
Marina Denicoff marina.denicoff@ams.usda.gov (202) 690 - 3244

Ocean Transportation

Surajudeen (Deen) Olowolayemo surajudeen.olowolayemo@ams.usda.gov (202) 720 - 0119
(Freight rates and vessels)
April Taylor april.taylor@ams.usda.gov (202) 295 - 7374
(Container movements)

Economics Assistants

Daniel O'Neil, Jr. daniel.oneil@ams.usda.gov (202) 720 - 0194
Zachary Smith zachary.smith@ams.usda.gov (202) 720 - 0194
Joyce Zhang joyce.zhang@ams.usda.gov (202) 720 - 0194

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

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report*. October 25, 2012. Web: <http://dx.doi.org/10.9752/TS056.10-25-2012>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).