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Transportation and Marketing Programs/Transportation Services Division
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USDA Agricultural Marketing Service

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Contents

The next release is Nov. 24, 2011

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WEEKLY HIGHLIGHTS

House Bill Introduced to Clarifiy Exemptions on the Transport of Agricultural Commodities and Farm Supplies

On October 26, Representative Sam Graves (R-MO) and 39 bipartisan co-sponsors introduced H.R. 3265 to amend the Motor Carrier Safety Improvement Act of 1999 to provide clarification regarding the applicability of exemptions relating to the transportation of agricultural commodities and farm supplies. The bill provides that regulations regarding maximum driving and on-duty time for drivers used by motor carriers shall not apply during planting and harvest periods, as determined by each State, to:

- drivers transporting agricultural commodities in the State from the source of the agricultural commodities to a location within a 100-air-mile radius from the source,
- drivers transporting farm supplies for agricultural purposes in the State from a wholesale or retail distribution point of the farm supplies to a farm or other location where the farm supplies are intended to be used within a 100-air-mile radius from the distribution point, or
- drivers transporting farm supplies for agricultural purposes in the State from a wholesale distribution point of the farm supplies to a retail distribution point of the farm supplies within a 100-air-mile radius from the wholesale distribution point.

Appropriations Bill Will Allow Trucks Weighing up to 100,000 pounds on Interstate Highways in Maine and Vermont

On November 14, the House filed the Conference Report on H.R. 2112, making consolidated appropriations for Agriculture, Commerce, Justice, Transportation, Housing and Urban Development, and science and related programs for the fiscal year 2012. Sec. 125 will allow trucks weighing up to 100,000 pounds on Interstate highways in Maine and Vermont through December 31, 2031, compared to the current national Interstate highway limit of 80,000 pounds.

Harvest Nearly Complete; Barge Rates Remain Stable

As of November 13, the nation's corn harvest is 93 percent complete—11 percentage points ahead of the 3-year average pace of 82 percent. The soybean harvest is 96 percent complete, 2 percentage points above the 3-year average of 94 percent. The corn crop in Iowa and Illinois are 98 and 97 percent harvested, respectively, and the soybean crop is 99 and 98 percent harvested. Ohio's corn crop is only 51 percent harvested; 2011 has been one of the wettest years in Ohio's history. Changes in this week's barge rates were relatively stable with minor decreases on the upper Mississippi River, no changes on the Illinois River, minor increases on the Ohio River, and no changes on the Lower Mississippi River. **Barge rates** for Minneapolis-St. Paul, MN, to New Orleans, LA, declined 5 percent from the previous week and are 13 percent below the 3-year average.

Snapshots by Sector

Rail

U.S. railroads originated 21,165 **carloads of grain** during the week ending November 5, down 11 percent from last week, down 10 percent from last year, and 12 percent lower than the 3-year average.

During the week ending November 10, average November non-shuttle **secondary railcar bids/offers** were $44 below tariff, up $3 from last week and $14.50 higher than last year. Average shuttle rates were $422 below tariff, down $24 from last week and $15.50 higher than last year.

Barge

During the week ending November 12, **barge grain movements** totaled 690,570 tons, 1.6 percent lower than the previous week and 23 percent lower than the same period last year.

During the week ending November 12, 441 grain barges **moved down river**, down 3 percent from last week; 764 grain barges were **unloaded in New Orleans**, up 6.3 percent from the previous week.

Ocean

During the week ending November 10, 36 **ocean-going grain vessels** were loaded in the Gulf, down 23 percent from last year. Forty-six vessels are expected to be loaded within the next 10 days, 39 percent less than the same period last year.

During the week ending November 10, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $56.50 per metric ton (mt), 1 percent less than the previous week. The cost of shipping from the Pacific Northwest to Japan was $31 per mt—3 percent less than the previous week.

Fuel

During the week ending November 14, U.S. average **diesel fuel prices** were $3.99 per gallon—up 2.6 percent from the previous week and 25 percent higher than the same week last year.

Feature Article/Calendar

Grain Transportation Update

Drop In Projected Grain Exports Expected To Drive Decreased Fall/Winter Grain Transportation Demand

In its November World Agricultural Supply and Demand Estimates report, USDA projected 2011/12 corn, soybean, and wheat exports to be 3.9 billion bushels (bbu), a 15.7 percent decrease from last year (Table 1). Third quarter 2011 corn, soybean, and wheat exports are down 16 percent from the same period in 2010. As was discussed in the GTR feature dated 10/27/11, demand for U.S. grain and soybeans decreased because of higher U.S. prices and increased competition from Russia and other major exporting countries.

Table 1--Major Grains: Production and Use, November 2011 WASDE, million bushels

	Corn	Soybeans	Wheat	Total	Y/Y
2011/12 (*Projected*)					
Production	12,310	3,046	1,999	17,355	-3.5%
Exports	**1,600**	**1,325**	**975**	**3,900**	**-15.7%**
Domestic Use	11,010	1,755	1,178	13,943	-1.3%
Ending Stocks/Use	**5%**	**5%**	**33%**		
2010/11 (*Estimated*)					
Production	12,447	3,329	2,207	17,983	-3.7%
Exports	**1,835**	**1,501**	**1,289**	**4,625**	**6.1%**
Domestic Use	11,220	1,778	1,128	14,126	0.3%
Ending Stocks/Use	**7%**	**7%**	**36%**		
2009/10					
Production	13,092	3,359	2,218	18,669	
Exports	**1,980**	**1,499**	**879**	**4,358**	
Domestic Use	11,086	1,862	1,138	14,086	
Ending Stocks/Use	**13%**	**4%**	**48%**		

The decrease in exports is expected to decrease the demand for grain transportation. Rail and barge transportation of grain are expected to be impacted much more than truck because rail moves 46 percent of grain exports and barge moves 44 percent. In addition, domestic use is projected at 13.9 bbu, a decrease of 1.3 percent from last year. This is also expected to decrease transportation demand this fall and winter. Corn, soybean, and wheat production is projected to reach 17.4 bbu, a 3.5 percent decrease in production from last year.

2011 Flood Conditions Limit Grain Barge Movements During Second and Third Quarters

Table 2 shows that for the third quarter of 2011, grain barge movements on the Mississippi River System were 20 percent lower than the 5-year average. During the second and third quarters, navigation was hampered by historic flooding along major portions of the Mississippi, Ohio, Illinois, Missouri, and Arkansas rivers. By the end of the third quarter, navigation conditions had improved, but traffic was still down as a weakened export market had decreased barge demand.

Table 2. Average Weekly Grain Barge Shipments on Mississippi River System by Quarter, and Annual Total, 2006-2011

Year	Average Weekly Shipments				Annual
	1st quarter	2d quarter	3d quarter	4th quarter	Total
	1,000 tons				
2006	576	763	709	824	37,335
2007	543	666	632	806	34,397
2008	522	491	567	561	27,839
2009	567	763	664	761	35,920
2010	576	692	630	762	34,584
2011	570	510	508		
5 yr avg	557	675	640	743	34,015
Source: U.S. Army Corps of Engineers					

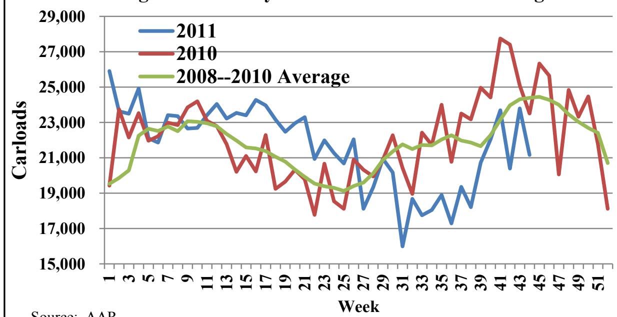
Barge demand for export coal has significantly increased on the Mississippi River. The U.S. Energy Information Administration reports that "for the first eight months of 2011, New Orleans, LA, coal exports grew 980 percent above the 2000 level and surpassed the record 2010 level by nearly 50 percent despite flooding along the Mississippi River." Coal is normally transported in open barges without the covers used in grain barges. Grain cannot be shipped in an open coal barge, but depending on the relative economics, coal can and sometimes is transported in covered barges normally used to transport grain. With the increased coal traffic this year, some grain barges may have been used for delivering coal. At this time, there are no notable developments in the diversion of grain barges to the coal market, but the situation is worth watching in the future because of implications for the capacity of the grain barge fleet and its potential impact on rates

For the week ending November 12, weekly barge movements were 691 thousand tons, 7 percent lower than the fourth quarter average. For the remainder of the marketing year, a robust barge market is not likely; USDA projects U.S. corn exports at 1.6 billion bushels, a 9-year low**.** The average barge rate for grain shipped from St. Louis to New Orleans for the first half of November was $14.10 per ton, a 3 percent decrease compared to same period of last year. Without any competition from the coal industry and continued diminished exports expectations, grain barge rates are likely to decrease for the remainder of 2011. Barge operators are offering St. Louis barge rates for December shipments at an average $12.67 per ton.

Third Quarter Grain Carloadings Weak

Grain carloadings for Class I railroads during the third quarter of 2011 are 243,520, down 14 percent from the third quarter 2010 (283,406) (Figure 1). Grain carloadings during the first 5 weeks of the fourth quarter of 2011 were 111,091, down 13 percent from the same period in 2010, which had 128,172 grain carloadings. Weak grain exports have contributed to the weak grain carloadings; weak exports are expected to continue during the fourth quarter of 2011.

Figure 1: Weekly U.S. Class I Graincar Loadings



Source: AAR

Bulk Ocean Freight Rates Below Last Year

Ocean freight rates for shipping bulk commodities were considerably lower than both last year and the 4-year averages. Rates for shipping bulk grain from the U.S. Gulf to Japan averaged $52.92 per metric ton (mt) during the third quarter—14 percent less than the previous year and 34 percent less than the 4-year average. Rates from the Pacific Northwest (PNW) to Japan averaged $30.55 per mt—10 percent lower than the previous year and 35 percent less than the 4-year average. It costs 15 percent less to ship a metric ton of grain from the U.S. Gulf to Europe during the third quarter than it did a year earlier. The U.S. Gulf–Europe rate was also 41 percent lower than the 4-year average. Although the rates from the PNW to Japan and U.S. Gulf to Europe rose over the previous quarter, they were still significantly below last year and the 4-year averages. The spread between the U.S. Gulf- and PNW-to-Japan rates was also lower than last year and the 4-year average.

Freight rates continue to be relatively low. As of November 10, the rate for shipping bulk grain from the U.S. Gulf to Japan was $56.50 per metric ton (mt), 4 percent below last year. For the same week, the rate from the Pacific Northwest to Japan was $31 per mt, 10 percent below last year. The rate from the U.S. Gulf to Europe was $24 per mt, 8 percent less than last year. The dry bulk market continues to have an excess supply of vessels and weak demand. More vessels are currently being added to the fleet. So far this year, 191 Capesize and 217 Panamax vessels have been added to the fleet. The orderbook indicates about 23 percent of the existing Panamax fleet and 30 percent of the Capesize fleet are scheduled for delivery until 2015 (GTR, dated 11/10/11). Unless the demand keeps up with the vessel supply, bulk ocean freight rates are expected to remain relatively low for a while.

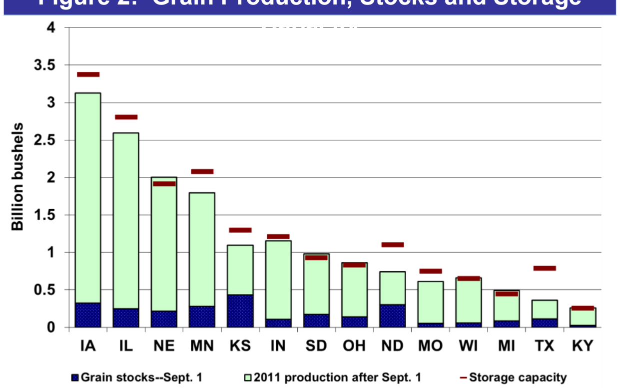
Average Diesel Fuel Prices Slow during the Third Quarter

The average diesel price during quarter 3 was $3.87 per gallon, 4 percent lower than the previous quarter but 32 percent higher than the same quarter last year. According to the Energy Information Administration's (EIA) *November 2011 Short-Term Energy Outlook,* international oil market conditions have tightened dramatically in the last year as supply disruptions in Libya and elsewhere drew down commercial and strategic reserves. But the outlook for oil production appears to be improving as EIA forecasts production from OPEC and non-OPEC countries to grow through the fourth quarter and into 2012. Crude oil prices are expected to average around $100 per barrel for 2011 and they are expected to remain flat on average in 2012.

Fewer Storage Issues This Year

Less crop production and expanded storage facilities are expected to result in fewer storage issues this year (Figure 2). Total storage capacity on December 1, 2010, was estimated at 22.255 billion bushels, 505 million bushels more than capacity as of December 1, 2009. Six states are expected to experience a temporary shortage of storage capacity: Nebraska 82.9 million bushels (mbu), South Dakota 50.4 mbu, Ohio 30 mbu, Wisconsin 6.5 mbu, Michigan 44.7 mbu, and Kentucky 3.62 mbu. Indiana, which is expected to be at 95 percent of its storage capacity, will probably experience regional storage capacity issues.

Figure 2: Grain Production, Stocks and Storage



Sources: Crop Production, USDA, Nov. 9, 2011; Grain Stocks, USDA, Sept. 30, 2011.

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Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

	Truck	Rail[2]	Barge	Ocean	
Week ending				Gulf	Pacific
11/16/11	268	79	246	253	220
11/09/11	261	58	246	255	227

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.
Source: Transportation & Marketing Programs/AMS/USDA

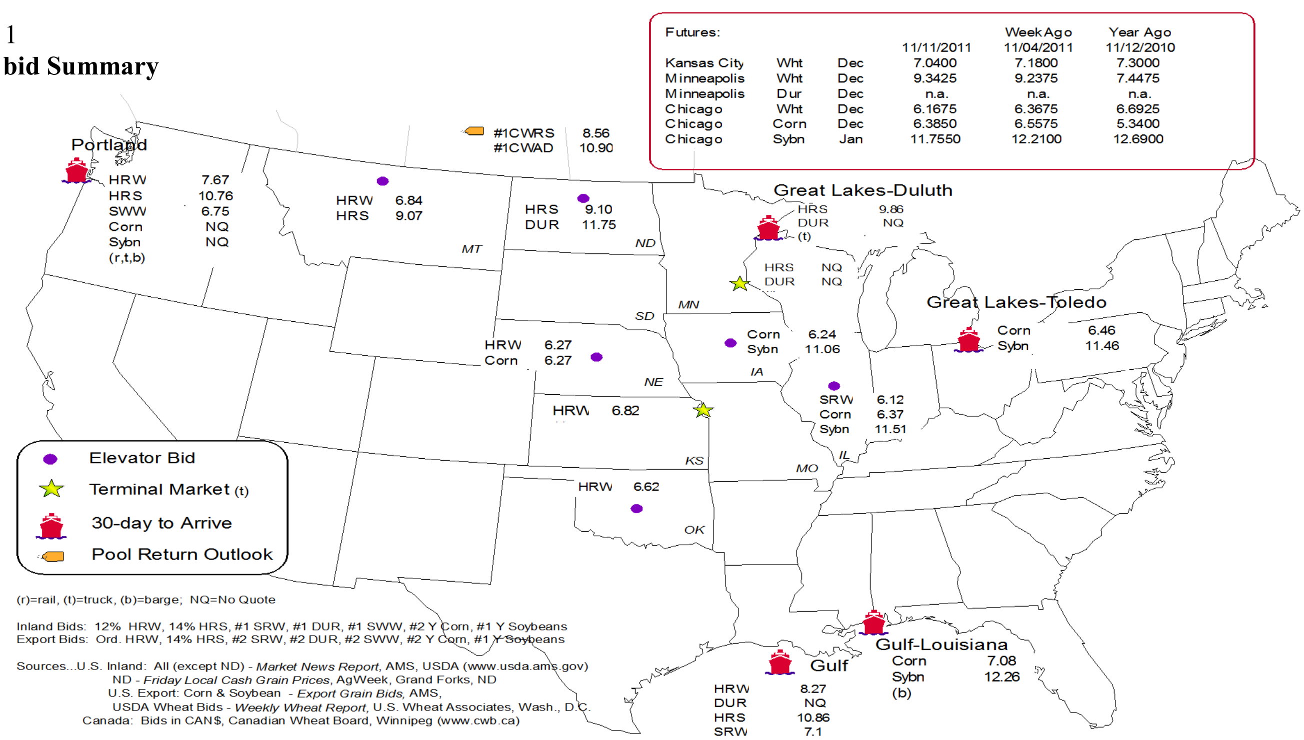
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	11/11/20111	11/04/20111
Corn	IL--Gulf	-0.71	-0.74
Corn	NE--Gulf	-0.81	-0.84
Soybean	IA--Gulf	-1.20	-1.19
HRW	KS--Gulf	-1.45	-1.47
HRS	ND--Portland	-1.66	-1.83

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 Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
11/09/2011[p]	532	287	1,006	3,670	857	6,352
11/02/2011[r]	533	121	1,221	3,783	548	6,206
2011 YTD	26,464	72,486	42,173	154,948	20,151	316,222
2010 YTD	24,876	69,355	37,938	150,483	26,201	308,853
2011 YTD as % of 2010 YTD	106	105	111	103	77	102
Last 4 weeks as % of 2010[2]	37	17	179	82	59	66
Last 4 weeks as % of 4-year avg.[2]	35	17	149	77	68	63
Total 2010	33,971	83,492	42,794	177,896	32,780	370,933
Total 2009	33,423	57,646	36,738	175,965	30,328	334,100

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2010 and prior 4-year average.

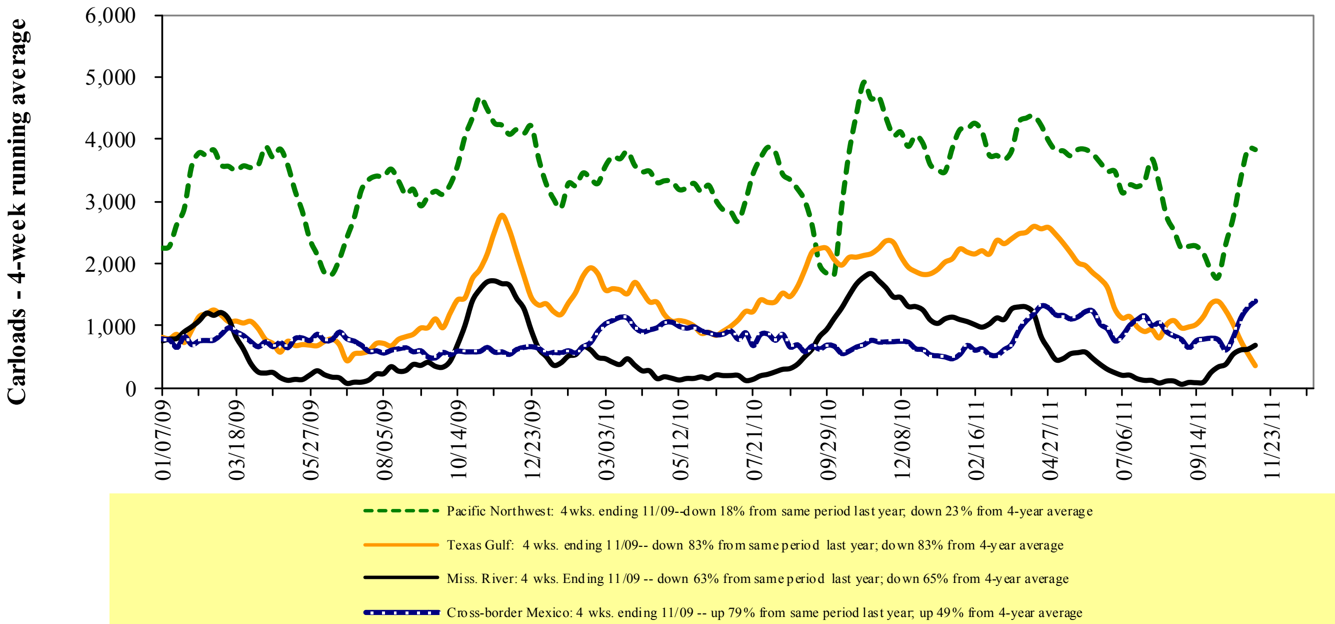
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 35 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)

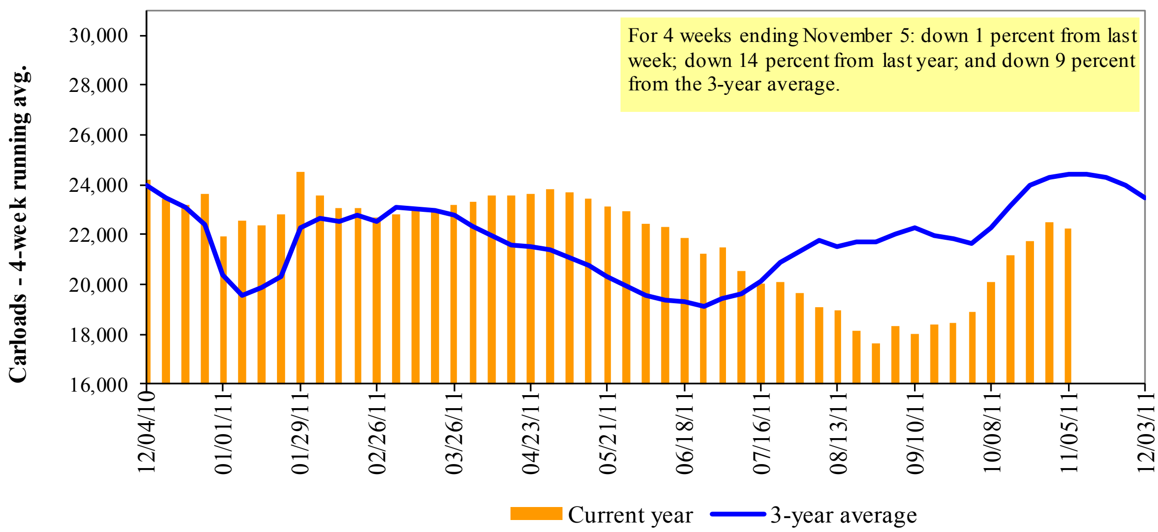
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
11/05/11	2,683	3,240	9,721	957	4,564	21,165	4,219	6,595
This week last year	2,316	3,031	10,782	740	6,635	23,504	4,141	5,695
2011 YTD	79,892	128,037	460,516	31,241	253,673	953,359	169,791	225,335
2010 YTD	93,814	134,286	458,510	30,824	247,622	965,056	171,213	226,926
2011 YTD as % of 2010 YTD	85	95	100	101	102	99	99	99
Last 4 weeks as % of 2010[1]	96	96	84	109	77	86	104	113
Last 4 weeks as % of 3-yr avg.[1]	92	99	90	96	86	90	105	104
Total 2010	111,935	159,836	546,901	35,807	295,361	1,149,840	203,038	265,835

[1]As 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 Offerings[1] ($/car)[2]

Week ending 11/10/2011	Delivery period: Nov-11	Nov-10	Dec-11	Dec-10	Jan-12	Jan-11	Feb-12	Feb-11
BNSF[3]								
COT grain units	no bids	no offer	no bids	no offer	no offer	no offer	no offer	no offer
COT grain single-car[5]	1	no offer	no bids	no offer	no bids	no offer	no bids	no offer
UP[4]								
GCAS/Region 1	no bids	no offer	no bids	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	no offer	no bids	no bids	no bids	no bids	n/a	n/a

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

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

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

[4]UP - GCAS = Grain Car Allocation System

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

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

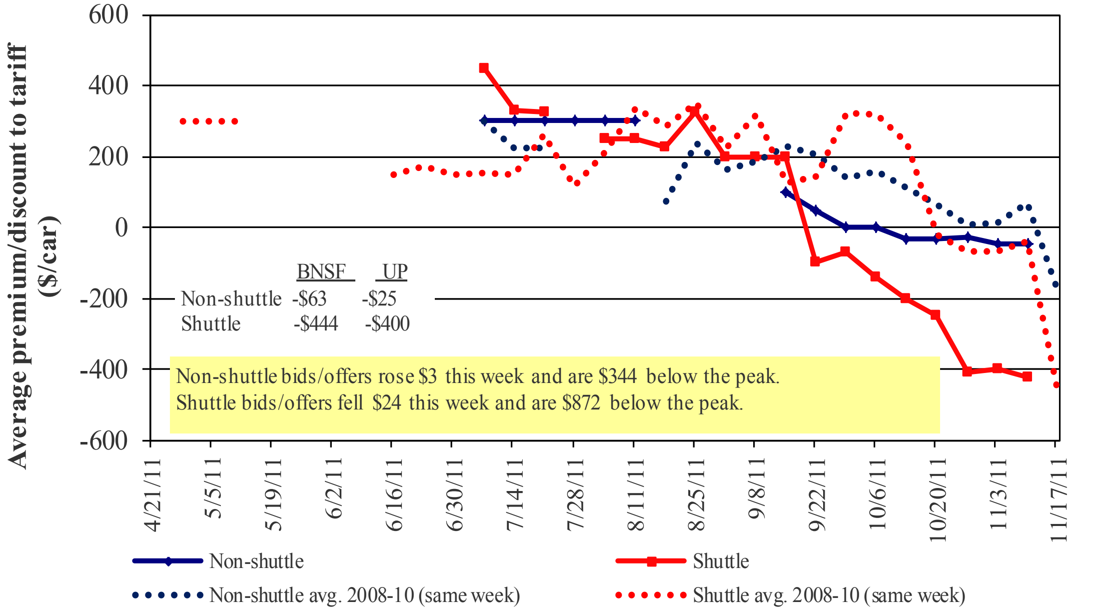
[5]Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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

Figure 4

Bids/Offers for Railcars to be Delivered in November 2011, Secondary Market

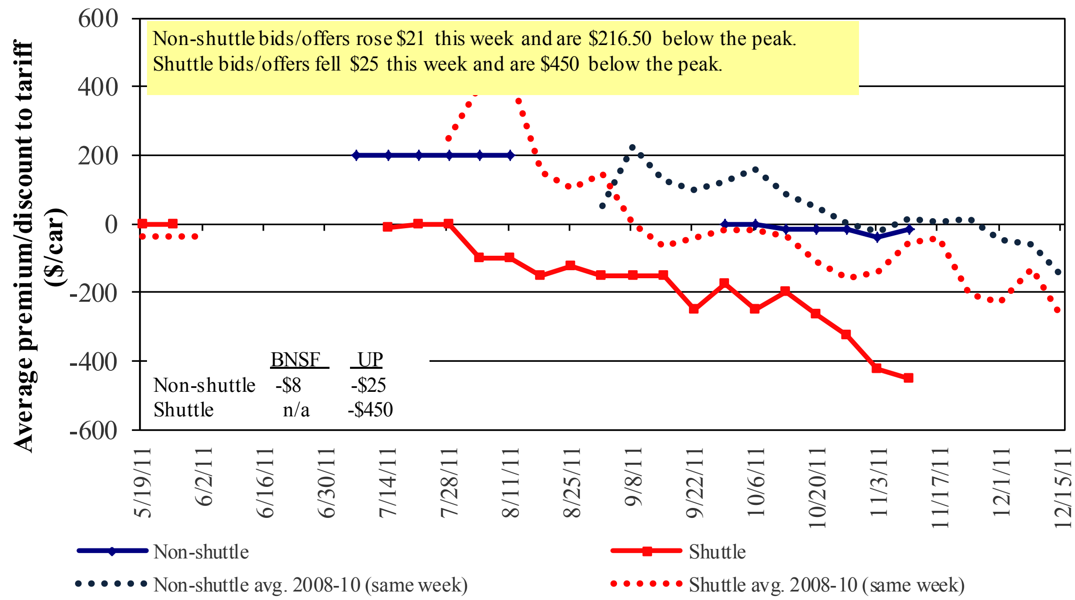


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in December 2011, Secondary Market

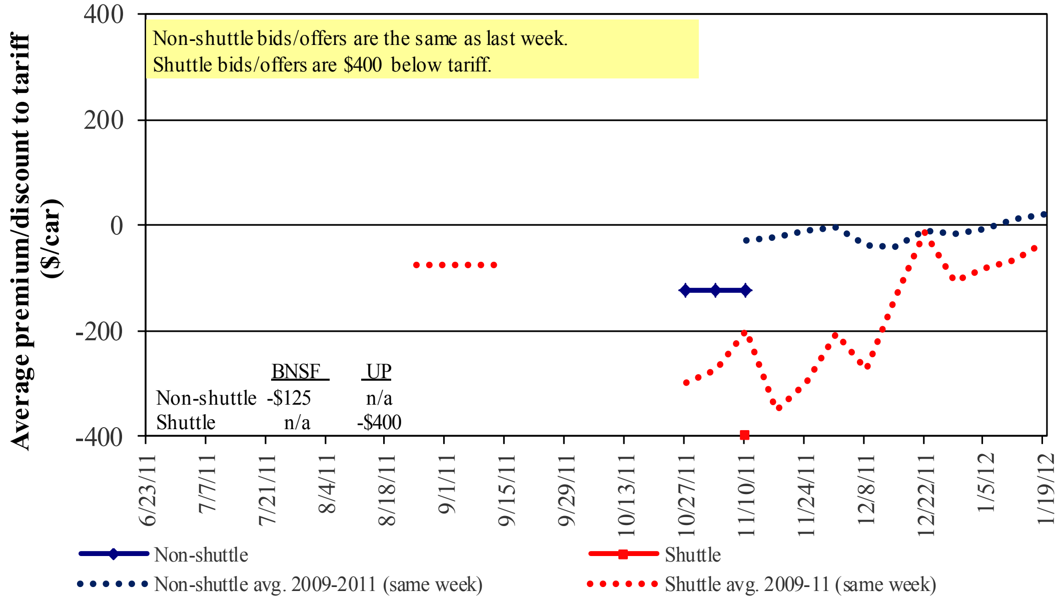


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in January 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					
11/10/2011	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
Non-shuttle						
BNSF-GF	(63)	(8)	(125)	n/a	n/a	n/a
Change from last week	6	(8)	-	n/a	n/a	n/a
Change from same week 2010	4	(58)	n/a	n/a	n/a	n/a
UP-Pool	(25)	(25)	n/a	n/a	n/a	n/a
Change from last week	-	50	n/a	n/a	n/a	n/a
Change from same week 2010	25	7	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(444)	n/a	n/a	n/a	n/a	n/a
Change from last week	(48)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	81	n/a	n/a	n/a	n/a	n/a
UP-Pool	(400)	(450)	(400)	n/a	n/a	n/a
Change from last week	-	-	n/a	n/a	n/a	n/a
Change from same week 2010	(50)	(150)	(50)	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 Shipments[1]

Effective date: 11/7/2011	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$2,992	$177	$31.47	$0.86	11
	Grand Forks, ND	Duluth-Superior, MN	$3,097	$101	$31.76	$0.86	19
	Wichita, KS	Los Angeles, CA	$5,710	$520	$61.87	$1.68	9
	Wichita, KS	New Orleans, LA	$3,492	$312	$37.77	$1.03	11
	Sioux Falls, SD	Galveston-Houston, TX	$5,410	$427	$57.96	$1.58	6
	Northwest KS	Galveston-Houston, TX	$3,760	$341	$40.73	$1.11	11
	Amarillo, TX	Los Angeles, CA	$3,959	$475	$44.03	$1.20	12
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,062	$352	$33.90	$0.92	14
	Toledo, OH	Raleigh, NC	$3,942	$398	$43.10	$1.17	9
	Des Moines, IA	Davenport, IA	$1,934	$75	$19.95	$0.54	7
	Indianapolis, IN	Atlanta, GA	$3,381	$299	$36.54	$0.99	10
	Indianapolis, IN	Knoxville, TN	$2,833	$192	$30.04	$0.82	6
	Des Moines, IA	Little Rock, AR	$3,074	$219	$32.70	$0.89	8
	Des Moines, IA	Los Angeles, CA	$4,985	$638	$55.84	$1.52	20
Soybeans	Minneapolis, MN	New Orleans, LA	$3,349	$387	$37.10	$1.01	7
	Toledo, OH	Huntsville, AL	$3,057	$283	$33.17	$0.90	9
	Indianapolis, IN	Raleigh, NC	$4,013	$401	$43.83	$1.19	9
	Indianapolis, IN	Huntsville, AL	$2,749	$192	$29.20	$0.79	8
	Champaign-Urbana, IL	New Orleans, LA	$3,406	$352	$37.32	$1.02	13
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,239	$299	$35.14	$0.96	9
	Wichita, KS	Galveston-Houston, TX	$3,144	$233	$33.53	$0.91	7
	Chicago, IL	Albany, NY	$3,645	$374	$39.91	$1.09	9
	Grand Forks, ND	Portland, OR	$4,702	$517	$51.83	$1.41	9
	Grand Forks, ND	Galveston-Houston, TX	$5,745	$538	$62.40	$1.70	10
	Northwest KS	Portland, OR	$4,727	$560	$52.50	$1.43	11
Corn	Minneapolis, MN	Portland, OR	$4,800	$629	$53.92	$1.47	13
	Sioux Falls, SD	Tacoma, WA	$4,760	$576	$52.99	$1.44	13
	Champaign-Urbana, IL	New Orleans, LA	$2,877	$352	$32.07	$0.87	13
	Lincoln, NE	Galveston-Houston, TX	$3,310	$336	$36.21	$0.99	10
	Des Moines, IA	Amarillo, TX	$3,430	$275	$36.80	$1.00	7
	Minneapolis, MN	Tacoma, WA	$4,800	$624	$53.87	$1.47	13
	Council Bluffs, IA	Stockton, CA	$4,200	$646	$48.12	$1.31	13
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,040	$576	$55.77	$1.52	11
	Minneapolis, MN	Portland, OR	$5,030	$629	$56.20	$1.53	12
	Fargo, ND	Tacoma, WA	$4,930	$512	$54.05	$1.47	11
	Council Bluffs, IA	New Orleans, LA	$3,710	$406	$40.87	$1.11	11
	Toledo, OH	Huntsville, AL	$2,672	$283	$29.34	$0.80	10
	Grand Island, NE	Portland, OR	$4,520	$573	$50.58	$1.38	8

[1]A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 90-110 cars that meet railroad efficiency requirements.

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

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

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

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

Table 8

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

Effective date: 11/7/2011 Commodity	Origin state	Destination region	Tariff rate/car[1]	Fuel surcharge per car[2]	Tariff plus surcharge per: metric ton[3]	Tariff plus surcharge per: bushel[3]	Percent change Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,741	$547	$84.68	$2.30	12
	OK	Cuautitlan, EM	$6,804	$573	$75.37	$2.05	12
	KS	Guadalajara, JA	$7,411	$848	$84.39	$2.29	10
	TX	Salinas Victoria, NL	$3,753	$233	$40.73	$1.11	11
Corn	IA	Guadalajara, JA	$7,699	$860	$87.45	$2.22	10
	SD	Penjamo, GJ	$7,776	$715	$86.76	$2.20	14
	NE	Queretaro, QA	$7,048	$739	$79.57	$2.02	15
	SD	Salinas Victoria, NL	$5,650	$544	$63.28	$1.61	13
	MO	Tlalnepantla, EM	$6,227	$721	$70.99	$1.80	17
	SD	Torreon, CU	$6,522	$599	$72.76	$1.85	12
Soybeans	MO	Bojay (Tula), HG	$6,986	$753	$79.07	$2.15	14
	NE	Guadalajara, JA	$7,904	$860	$89.55	$2.43	17
	IA	El Castillo, JA[5]	$8,255	$711	$91.61	$2.49	18
	KS	Torreon, CU	$6,396	$586	$71.34	$1.94	18
Sorghum	OK	Cuautitlan, EM	$5,885	$543	$65.68	$1.67	19
	TX	Guadalajara, JA	$6,653	$465	$72.73	$1.85	14
	NE	Penjamo, GJ	$7,446	$805	$84.30	$2.14	15
	KS	Queretaro, QA	$6,353	$508	$70.10	$1.78	14
	NE	Salinas Victoria, NL	$5,103	$483	$57.07	$1.45	16
	NE	Torreon, CU	$6,068	$622	$68.36	$1.73	12

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

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

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

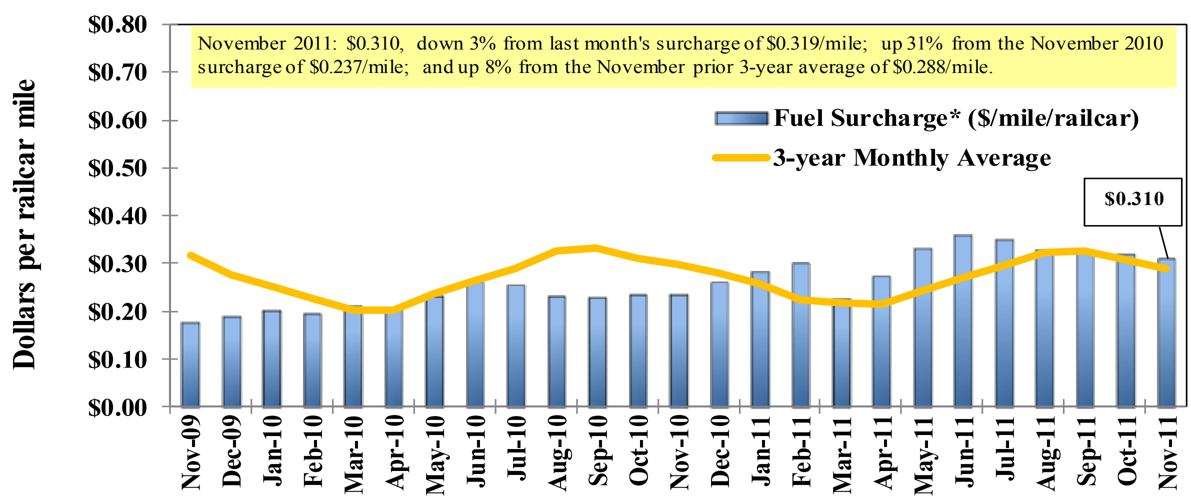
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[5] Beginning 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 Average[1]



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

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

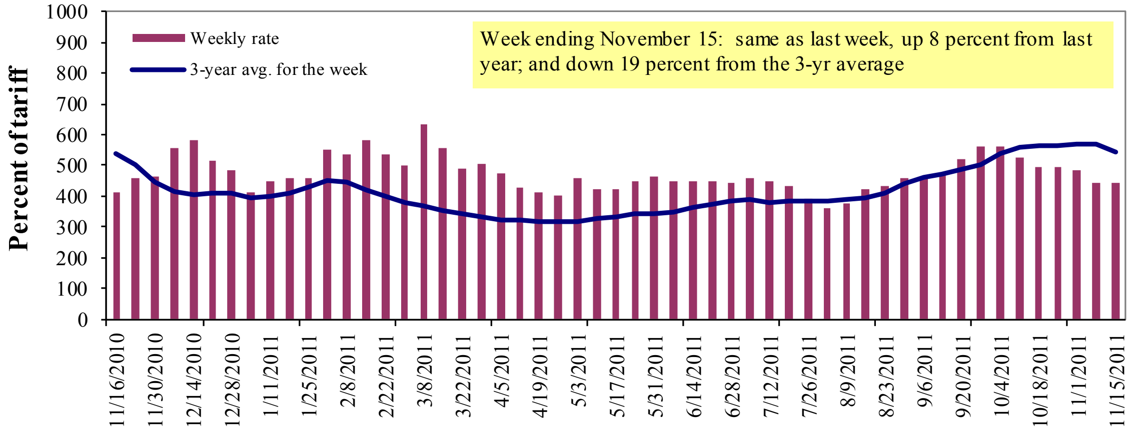
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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

Barge Transportation

Figure 8

Illinois River Barge Freight Rate[1,2]



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

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	11/15/2011	477	440	443	347	460	460	300
	11/8/2011	503	463	443	357	445	445	300
$/ton	11/15/2011	29.53	23.41	20.56	13.85	21.57	18.58	9.42
	11/8/2011	31.14	24.63	20.56	14.24	20.87	17.98	9.42
Current week % change from the same week:								
	Last year	-1	8	8	8	17	17	0
	3-year avg. [2]	-13	-17	-19	-33	-12	-12	-36
Rate[1]	December	--	--	435	325	402	402	297
	February	--	--	428	320	380	380	292

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

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

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

Figure 9

Benchmark tariff rates

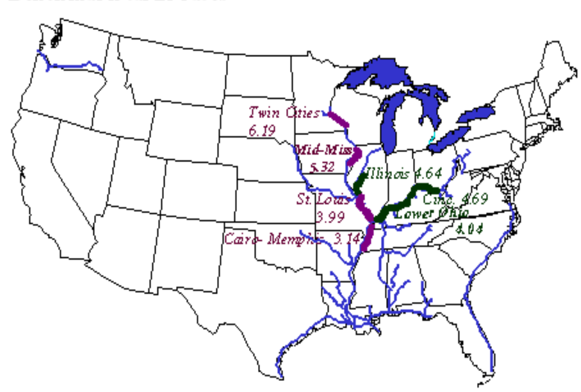
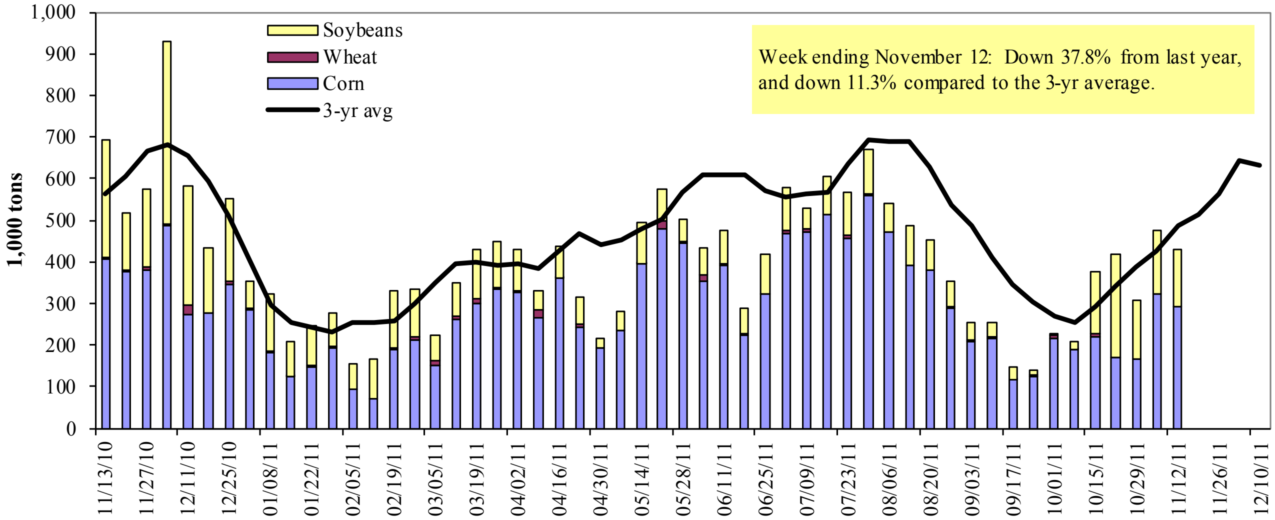


Figure 10

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



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

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 11/12/2011	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	266	3	82	6	357
Winfield, MO (L25)	215	0	121	6	342
Alton, IL (L26)	286	0	131	5	422
Granite City, IL (L27)	293	0	138	5	436
Illinois River (L8)	95	0	20	0	115
Ohio River (L52)	59	20	143	0	221
Arkansas River (L1)	0	6	27	1	34
Weekly total - 2011	352	26	307	6	691
Weekly total - 2010	467	2	417	14	898
2011 YTD[1]	16,181	1,313	6,568	353	24,415
2010 YTD	19,960	1,088	7,976	400	29,425
2011 as % of 2010 YTD	81	121	82	88	83
Last 4 weeks as % of 2010[2]	101	120	86	141	94
Total 2010	22,768	1,220	10,373	481	34,841

[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.

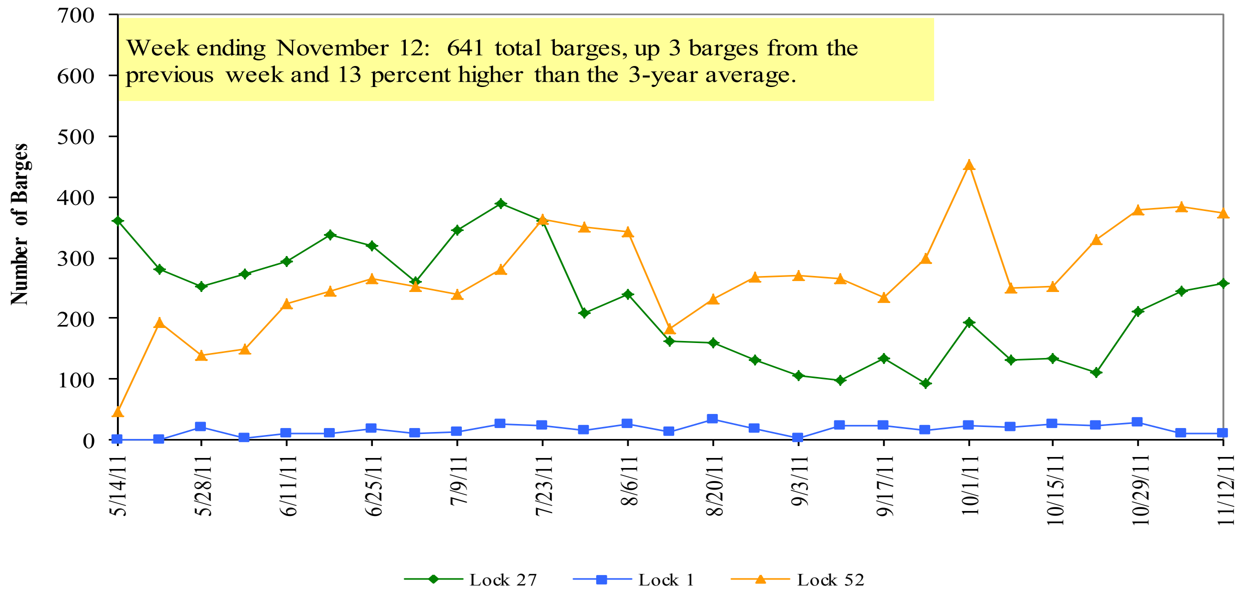
[2] As a percent of same period in 2010.

Note: Total may not add exactly, due to rounding

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

Figure 11

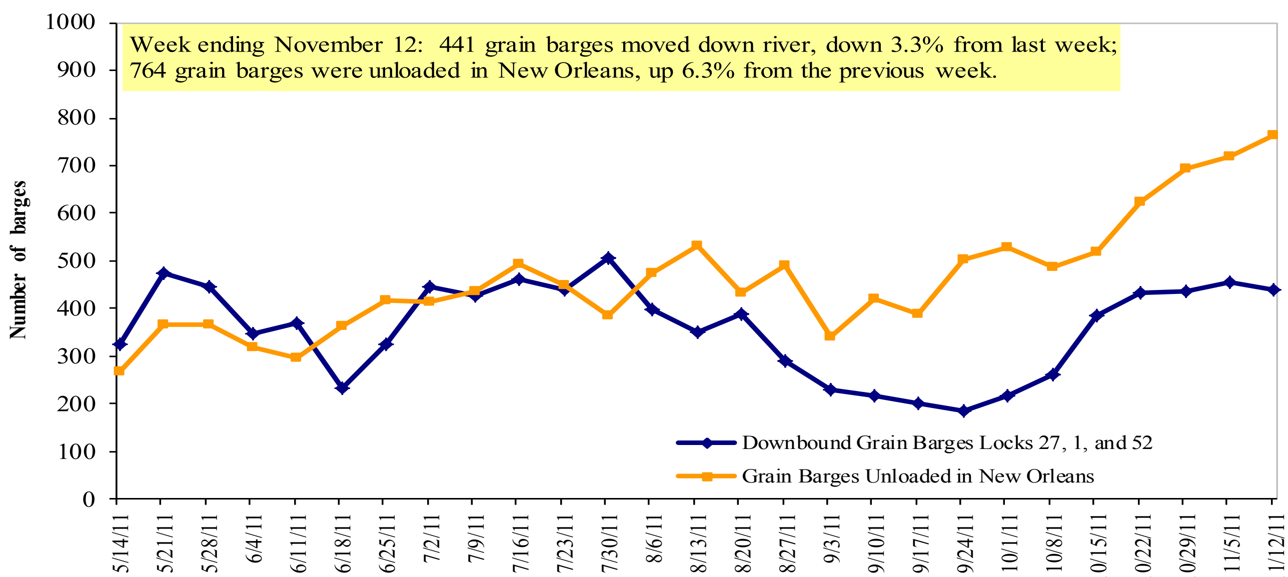
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices[1], Week Ending 11/14/2011 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.964	0.089	0.777
	New England	4.030	0.080	0.800
	Central Atlantic	4.085	0.088	0.782
	Lower Atlantic	3.906	0.090	0.773
II	Midwest[2]	3.987	0.124	0.820
III	Gulf Coast[3]	3.882	0.086	0.782
IV	Rocky Mountain	4.093	0.115	0.815
V	West Coast	4.171	0.062	0.842
	California	4.270	0.057	0.931
Total	U.S.	3.987	0.100	0.803

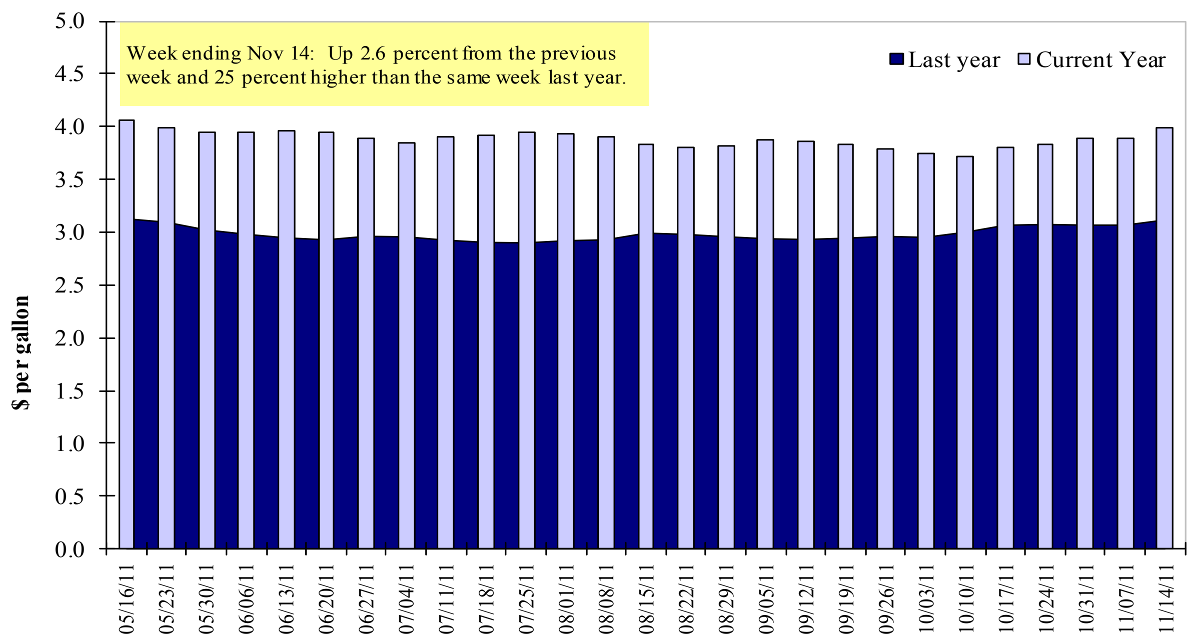
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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

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

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



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

Grain Exports

Table 12

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

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances [1]									
11/3/2011	1,333	690	1,174	899	56	4,151	14,991	12,561	31,703
This week year ago	3,546	560	2,509	1,169	156	7,939	12,620	19,603	40,162
Cumulative exports-marketing year [2]									
2011/12 YTD	5,064	1,647	3,156	2,198	271	12,335	6,350	6,565	25,250
2010/11 YTD	6,004	870	3,414	2,112	511	12,911	8,133	10,137	31,181
YTD 2011/12 as % of 2010/11	84	189	92	104	53	96	78	65	81
Last 4 wks as % of same period 2010/11	38	133	49	83	43	55	122	70	83
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 corn and soybeans

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

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

Table 13

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

Week ending 11/03/11	Total Commitments[2] 2011/12 Current MY	2010/11 Last MY	% change current MY from last MY	Exports[3] 2010/11
	- 1,000 mt -			- 1,000 mt -
Japan	4,906	7,180	(32)	14,279
Mexico	3,982	3,128	27	7,019
Korea	1,822	1,723	6	6,104
Egypt	328	1,493	(78)	3,302
Taiwan	778	871	(11)	2,393
Top 5 importers	**11,816**	**14,395**	**(18)**	**33,096**
Total US corn export sales	**21,341**	**20,753**	**3**	**46,610**
% of Projected	52%	44%		
Change from Last Week	252	574		
Top 5 importers' share of U.S. corn export sales	55%	69%		
USDA forecast, November 2011	**40,712**	**46,692**	**(13)**	
Corn Use for Ethanol USDA forecast, Ethanol November 2011	**127,000**	**127,534**	**(0)**	

(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.

[3]FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

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

Week Ending 11/03/2011	Total Commitments[2] 2011/12 Current MY	2010/11 Last MY	% change current MY from last MY	Exports[3] 2010/11
	- 1,000 mt -			- 1,000 mt -
China	13,303	18,221	(27)	24,445
Mexico	1,203	1,259	(4)	3,215
Japan	766	1,141	(33)	1,887
EU-25	143	687	(79)	2,607
Indonesia	464	617	(25)	1,397
Top 5 importers	**15,880**	**21,926**	**(28)**	**33,551**
Total US soybean export sales	**19,126**	**29,740**	**(36)**	**40,690**
% of Projected	53%	73%		
Change from last week	2,174	5,814		
Top 5 importers' share of U.S. soybean export sales	83%	74%		
USDA forecast, November 2011	**36,104**	**40,899**	**(12)**	
Soybean Use for Biodiesel USDA forecast, November 2011	**8,632**	**6,115**	**41**	

(n) indicates negative number.

[1]Based on FAS 2008/09 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.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

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

Week Ending 11/03/2011	Total Commitments[2] 2011/12 Current MY	2010/11 Last MY	% change current MY from last MY	Exports[3] 2010/11
	- 1,000 mt -			- 1,000 mt -
Nigeria	1,883	1,932	(3)	3,233
Japan	2,154	2,132	1	3,148
Mexico	957	1,699	(44)	2,601
Philippines	1,493	1,663	(10)	1,518
Korea	762	1,091	(30)	1,111
Peru	544	678	(20)	923
Taiwan	499	501	(0)	913
Colombia	368	438	(16)	783
Indonesia	473	386	23	781
Yemen	272	296		659
Top 10 importers	**9,405**	**10,816**	**(13)**	**15,670**
Total US wheat export sales	**16,486**	**20,850**	**(21)**	**33,439**
% of Projected	62%	59%		
Change from last week	298	832		
Top 10 importers' share of U.S. wheat export sales	57%	52%		
USDA forecast, November 2011	**26,567**	**35,123**	**(24)**	

(n) indicates negative number.

[1] Modified from the FAS **2010/11** 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.

[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 11/10/11	Previous Week[1]	Current Week as % of Previous	2011 YTD[1]	2010 YTD[1]	2011 YTD as % of 2010 YTD	Last 4-weeks as % of 2010	Last 4-weeks as % of 3-yr. avg.	Total[1] 2010
Pacific Northwest									
Wheat	102	190	54	12,457	9,637	129	124	129	11,062
Corn	121	148	82	7,381	8,736	84	100	106	9,950
Soybeans	316	247	128	5,954	8,250	72	68	78	10,191
Total	**539**	**585**	**92**	**25,791**	**26,622**	**97**	**83**	**92**	**31,203**
Mississippi Gulf									
Wheat	68	118	58	4,636	3,541	131	107	90	4,199
Corn	410	273	150	22,654	26,277	86	85	96	29,794
Soybeans	923	905	102	15,166	17,085	89	79	98	22,519
Total	**1,402**	**1,295**	**108**	**42,457**	**46,903**	**91**	**83**	**96**	**56,512**
Texas Gulf									
Wheat	89	22	406	10,064	7,998	126	43	59	9,339
Corn	52	0	n/a	884	1,629	54	41	51	1,859
Soybeans	51	0	n/a	814	1,418	57	9	11	1,916
Total	**192**	**22**	**879**	**11,763**	**11,045**	**106**	**31**	**39**	**13,115**
Interior									
Wheat	22	32	70	991	792	125	45	170	926
Corn	116	168	69	6,262	5,691	110	80	157	6,388
Soybeans	71	111	64	3,689	3,141	117	94	126	3,641
Total	**210**	**311**	**67**	**10,942**	**9,624**	**114**	**86**	**144**	**10,954**
Great Lakes									
Wheat	0	11	0	900	1,532	59	23	29	1,897
Corn	0	0	n/a	159	100	159	0	0	119
Soybeans	0	81	0	233	457	51	68	61	655
Total	**0**	**92**	**0**	**1,292**	**2,090**	**62**	**45**	**48**	**2,672**
Atlantic									
Wheat	1	2	44	659	314	210	17	25	343
Corn	6	17	36	259	432	60	83	79	469
Soybeans	96	7	1,472	639	1,043	61	40	67	1,417
Total	**104**	**26**	**393**	**1,557**	**1,790**	**87**	**45**	**66**	**2,229**
U.S. total from ports[2]									
Wheat	282	374	75	29,708	23,814	125	80	91	27,765
Corn	705	607	116	37,599	42,866	88	94	103	48,580
Soybeans	1,458	1,350	108	26,496	31,394	84	71	85	40,340
Total	**2,446**	**2,331**	**105**	**93,802**	**98,074**	**96**	**78**	**91**	**116,684**

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

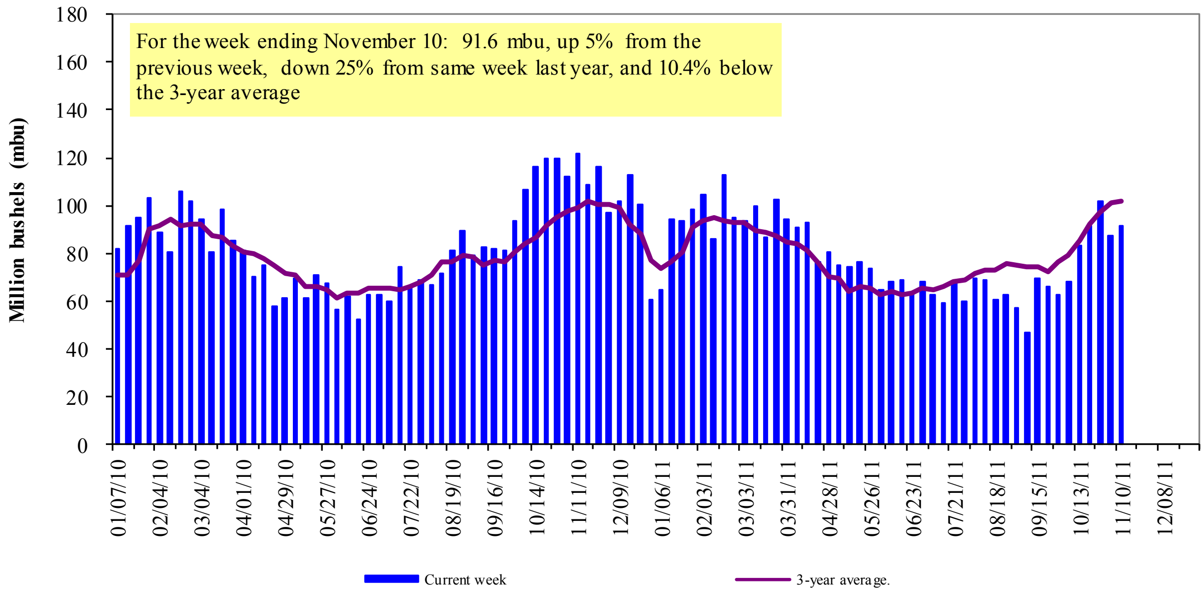
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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 61 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2010.

Figure 14

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

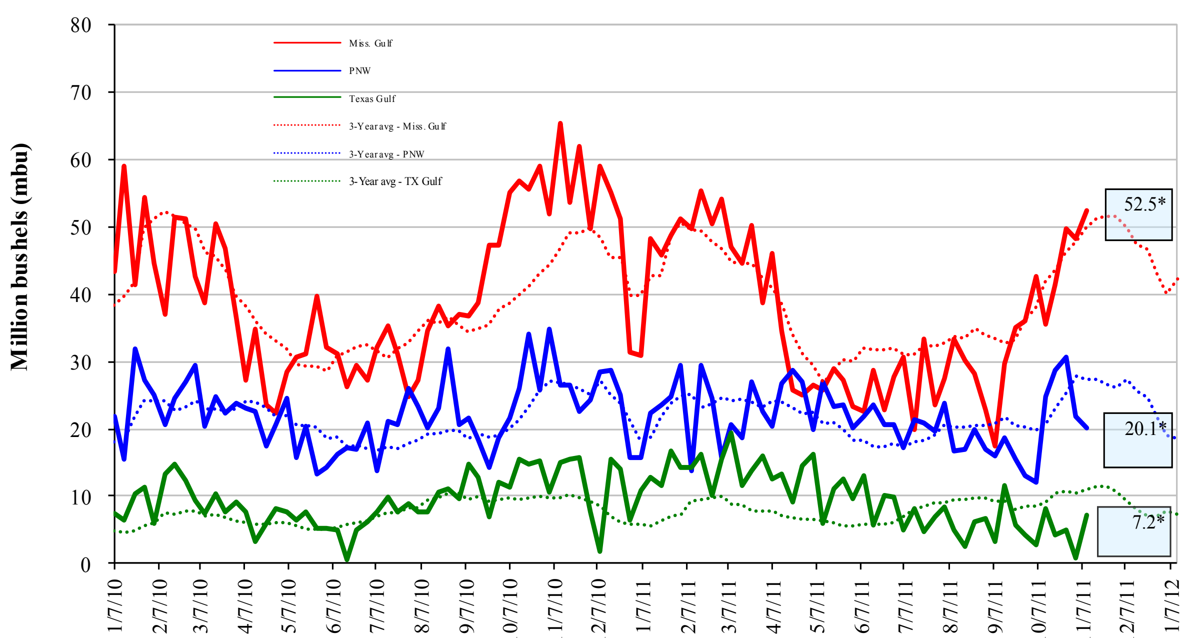


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

November 10 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 9	up 796	up 22	down 8
Last year (same week)	down 20	down 52	down 26	down 24
3-yr avg. (4-wk mov. avg.)	up 6	down 35	down 2	down 14

Ocean Transportation

Table 17

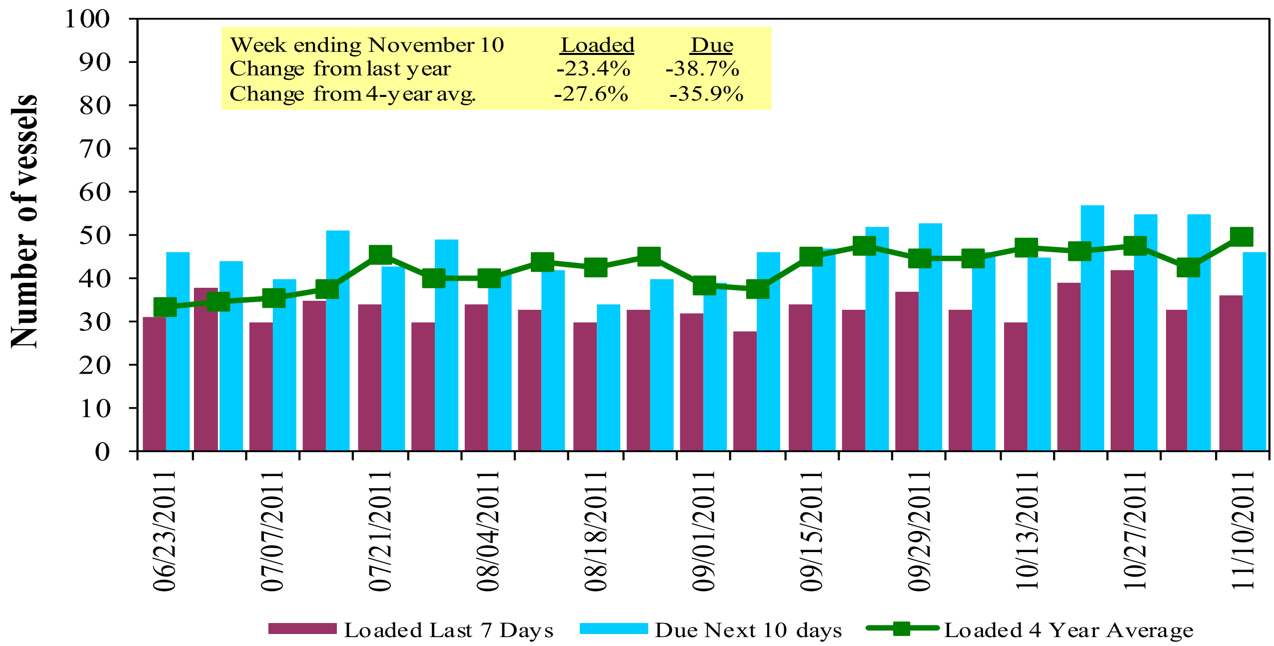
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf In port	Gulf Loaded 7-days	Gulf Due next 10-days	Pacific Northwest In port	Vancouver B.C. In port
11/10/2011	27	36	46	11	11
11/3/2011	23	33	55	10	10
2010 range	(15..69)	(30..57)	(33..84)	(4..24)	(2..20)
2010 avg.	41	42	58	12	11

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

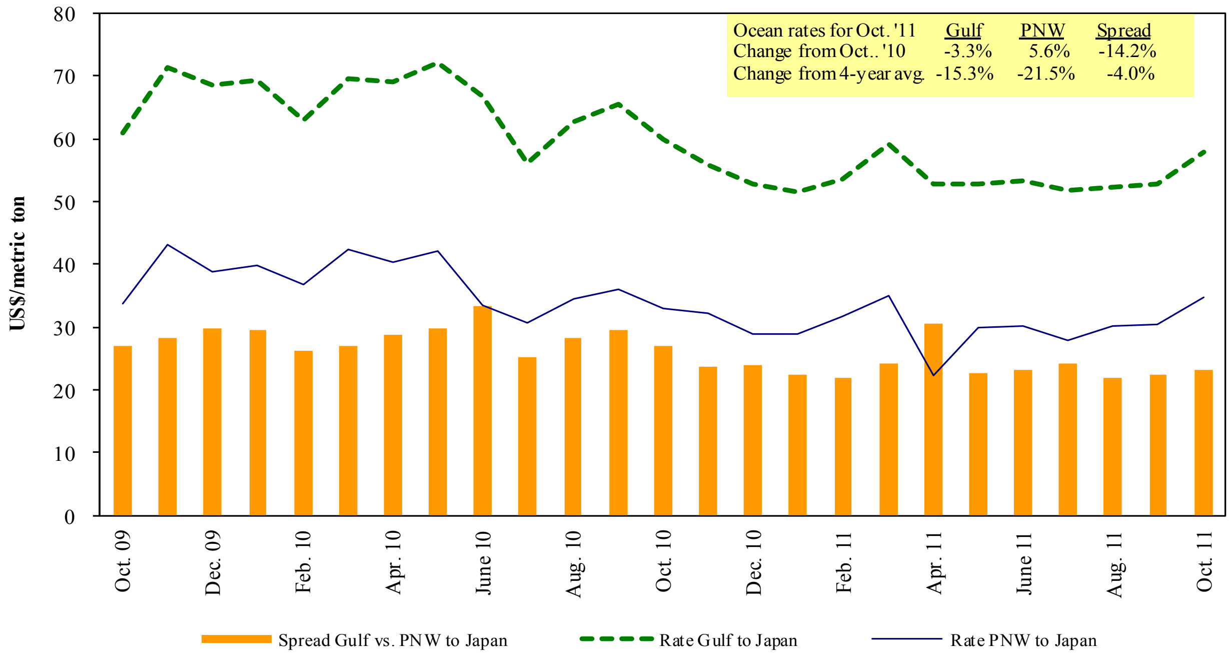


Source:Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 11/12/2011

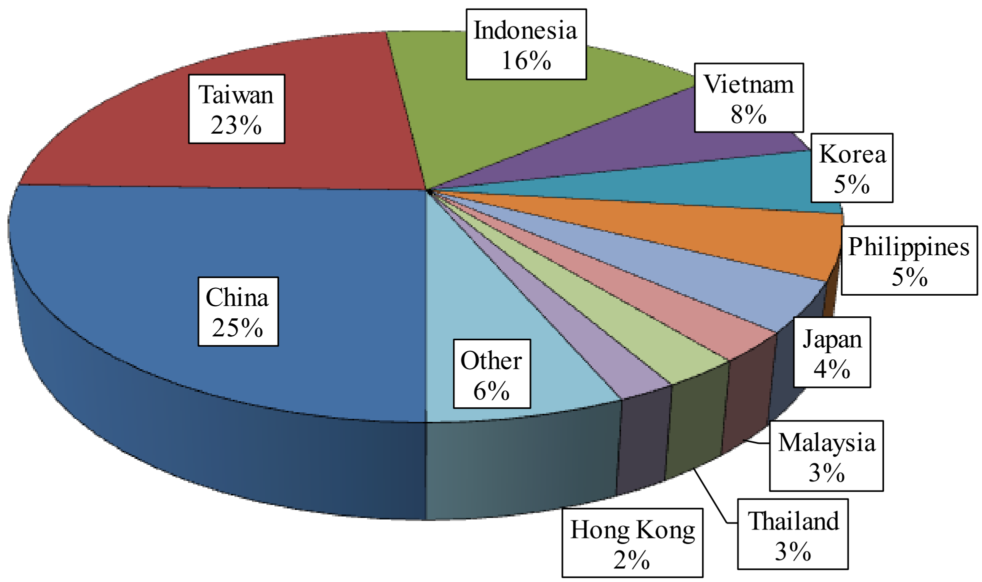
Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Oct 21/30	55,000	52.50
U.S. Gulf	China	Heavy Grain	Oct 5/10	60,000	59.00
U.S. Gulf	China	Heavy Grain	Sep 15/30	60,000	54.00
U.S. Gulf	China	Heavy Grain	Sep 1/10	60,000	48.25
U.S. Gulf	China	Heavy Grain	Aug 17/Sep 30	60,000	49.00
U.S. Gulf	China	Heavy Grain	Dec 1/30	55,000	51.00
U.S. Gulf	Japan	Heavy Grain	June 1/12	54,000	52.50
U.S. Gulf	Korea	Grain	Nov 25/Dec 5	55,000	57.00
U.S. Gulf	Djibouti[1]	Wheat	Dec 5/15	35,800	125.25
PNW	China	Heavy Grain	Dec 5/20	6,500	26.00
France	Algeria	Wheat	Nov 1/2	20,000	35.00
France	Algeria	Wheat	Sep 25/30	25,000	24.50
River Plate	Algeria	Maize	Oct 20/30	25,000	36.00
River Plate	Algeria	Maize	Oct 1/5	25,000	34.50
River Plate	Algeria	Corn	July 15/25	25,000	43.50
River Plate	Algeria	Corn	July 1/10	25,000	42.90
River Plate	Algeria	Corn	June 15/25	25,000	42.75
River Plate	Algeria	Wheat	Aug 18/25	25,000	49.00
South Africa	Taiwan	Corn	Aug 5/15	55,000	31.00

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

In 2010, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 7 percent of U.S. grain exports to Asia. Asia is the top destination for U.S. containerized grain exports—94 percent in 2010.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, August 2011

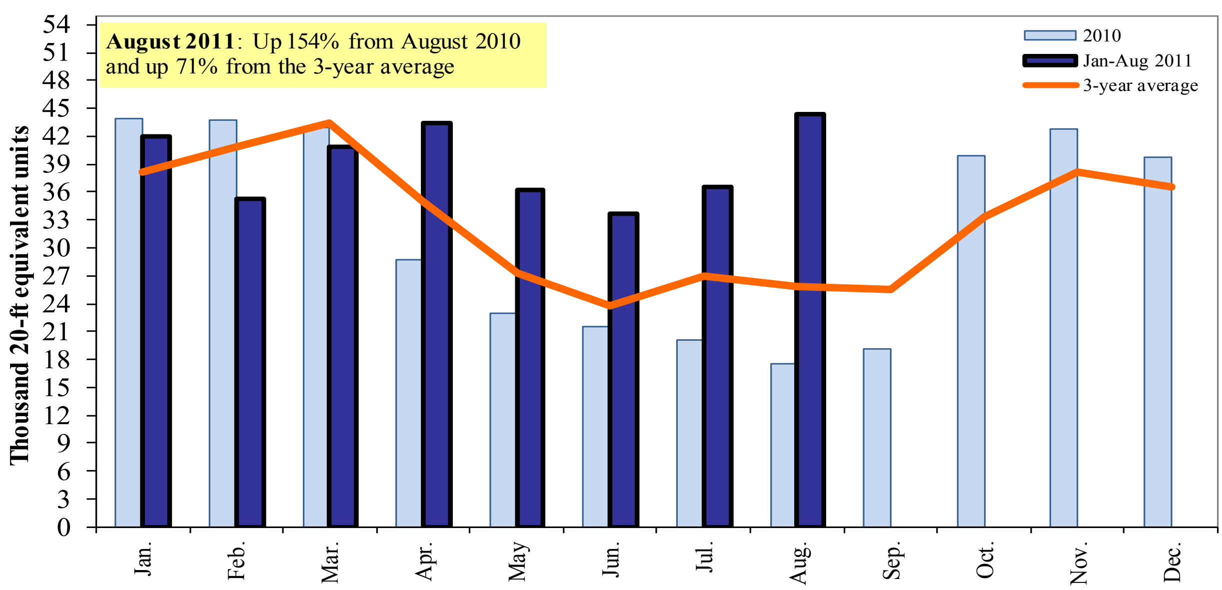


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements (recently added codes are highlighted in bold type): 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 (recently added codes are highlighted in bold type): 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, **230330**, and **120810**.

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