



Grain Transportation Report

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

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November 29, 2012

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WEEKLY HIGHLIGHTS

Waterways Groups Seek Presidential Declaration of Emergency for Mississippi River

On November 27, the American Waterways Operators, National Waterways Conference, Waterways Council Inc., and 15 other National organizations submitted a [letter](#) to President Obama and the Federal Emergency Management Agency requesting a presidential declaration of emergency. The inland waterway industry is concerned that reduced flows from the Missouri River and rock pinnacles near Grand Tower and Thebes, IL, will severely impair navigation on the middle portion of the Mississippi River. The letter references section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act and requests that the U.S. Army Corps of Engineers immediately remove the rock pinnacles and release additional water from the Missouri River to sustain navigation. For more information, see today's feature article.

Disruption Averted at Pacific Northwest Grain Terminals

The Pacific Northwest Grain Handlers Association has agreed not to impose a lockout on six of its grain terminals. Last Friday, the Association had given the International Longshore and Warehouse Union (ILWU) until midnight November 28 to accept the terms of its final offer after their contract expired in September. The ILWU, which had previously threatened to strike during the labor negotiations, has stated it has safety concerns with the terms of the latest offer, but it is willing to extend talks through December 21 or 22, when its members can vote on the offer. The owners of the six terminals have agreed not to impose a lockout on the ILWU workers and are considering their request to extend talks. A labor disruption at the six ports would have serious implications for corn, wheat, and soybean exports, which pass through the Pacific Northwest to Asian markets.

Labor Disruption Stops Traffic at the Ports of Los Angeles and Long Beach, CA

The maritime clerical workers are on strike at the Ports of Los Angeles and Long Beach. Picket lines were formed on Tuesday, November 27, and spread to the majority of container terminals at both ports. Longshore dock workers are honoring the picket lines despite an Arbitrator's ruling that instructed them back to work. As a result, both ports are effectively closed to container movements. The 800-member International Longshore and Warehouse Union Local 63's Office Clerical Unit (OCU) handle the paperwork for the movement of ships and cargo through the port terminals. The OCU has been working without a contract since July 2010. An extended port closure would significantly impact containerized grain exports which used the port complex to move nearly 70 percent of containerized grain exports in 2011. In 2011, these ports moved 16.48 million metric tons of containerized agricultural imports and exports valued at \$31 billion.

Snapshots by Sector

Rail

U.S. railroads originated 19,392 **carloads of grain** during the week ending November 17, down 1 percent from last week, 14 percent from last year, and 21 percent lower than the 3-year average.

During the week ending November 22, average December non-shuttle **secondary railcar bids/offers per car** were \$12.50 below tariff, down \$25 from last week, and \$4 higher than last year. Average shuttle bids/offers were \$142 below tariff, down \$7.50 from last week, and \$164.50 higher than last year.

Barge

During the week ending November 24, **barge grain movements** totaled 761,061 tons, 20 percent higher than the previous week but 30 percent lower than the same period last year.

During the week ending November 24, 492 grain barges **moved down river**, up 22 percent from last week; 655 grain barges were **unloaded in New Orleans**, down 27.6 percent from the previous week.

Ocean

During the week ending November 22, 36 **ocean-going grain vessels** were loaded in the Gulf, up 3 percent from this week last year. Fifty-five vessels are expected to be loaded within the next 10 days, 5 percent less than the same period last year.

During the week ending November 23, the ocean freight rate for shipping bulk grain from the Gulf to Japan was \$46.50 per metric ton (mt), 1 percent higher than the previous week. The cost of shipping from the Pacific Northwest to Japan was \$26.50 per mt, 2 percent more than the previous week.

Fuel

During the week ending November 26, U.S. average **diesel fuel prices** increased 6 cents to \$4.03 per gallon—up 1.5 percent from the previous week and 1.8 percent higher than the same week last year.

Feature Article/Calendar

Low Water Levels Threaten Mississippi River Navigation

The 2012 drought has significantly reduced water levels on the Mississippi River, threatening the barge movements of agricultural goods and inputs. Since late spring, there have been constant disruptions to waterway traffic on the

Figure 1 – Area of Low Water and Underwater Rock Formations That May Impact Barge Traffic on the Mississippi River



Mississippi River System. Drought conditions have caused low water levels that have forced barge operators to use narrower navigation channels and constantly anticipate the depths of the river. Barge operators have light-loaded barges and it has taken more barges to move the same amount of grain. Temporary river closures caused by grounded vessels have become common this year, especially since last year’s flooding added additional sediments to the river bottom.

Currently, the primary area of concern is between St. Louis, MO, and Cairo, IL (see map in Figure 1). The Missouri River, above St. Louis, significantly contributes to the water levels of the Mississippi, as much as 60 percent in a normal year. The Ohio River further south also supplies a significant portion of the water for navigation on the lower Mississippi River at the Cairo junction. In addition to the problem of low flows above St. Louis, another contributing factor to the current concern on the Mississippi River is the U.S. Army Corps of Engineers (Corps), on November 23, began reducing flows from Gavins Point Dam, near Yankton, SD, as part of an annual process designed to preserve water during the winter.

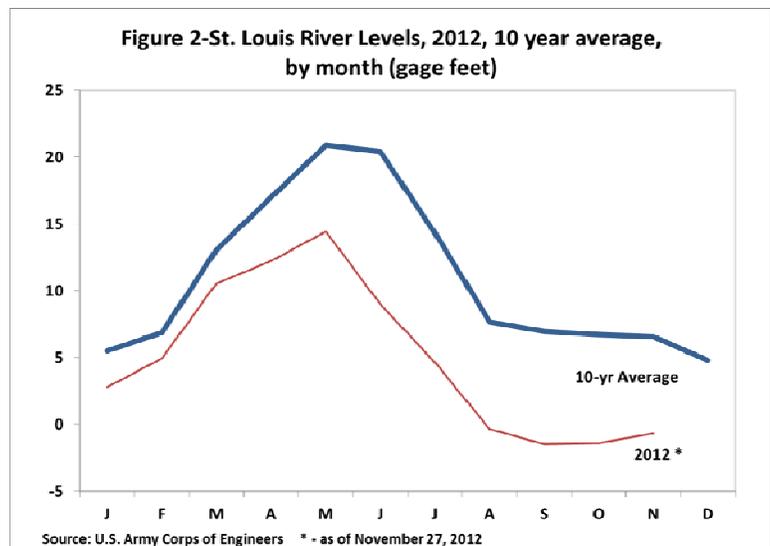
In managing water flows for the Missouri, the Corps is constrained by their obligation to balance the needs of all the river’s users. Water from the Missouri River is needed for navigation, flood control, hydropower, water supply, irrigation,

recreation, water quality, and fish and wildlife habitat. As a result of low water supply from the Missouri River, water levels at St. Louis on the Mississippi River are dropping and could approach if not exceed historic lows.

The graph in Figure 2 shows that for all of 2012, St. Louis River levels have been below the 10-year average. Without an increase in rainfall, and with the reduced flow from the Missouri River, the Corps using National Weather Service data projects the Mississippi River gage at St. Louis to drop to a low of -5 feet on or about December 10, causing the rock formations in the low water to become a hazard to navigation. These formations have always been in the river, but until now there has always been sufficient water depth to prevent interference with navigation. The reduction of Missouri River flows and the current drought could prohibit allowable drafts for loaded barge operations. Barge operators are wary of potential dangers when navigating around submerged objects, and rock pinnacles may block most, if not all, of the navigable channel in the area.

Rock Removal Project

Rock pinnacles in the river near Thebes and Grand Tower, IL, will pose a risk to navigation. The Corps, in partnership with the Coast Guard, has provided electronic charts of the pinnacles to mariners. Rock removal is planned to provide a more reliable channel as low water conditions



continue. The Corps expects to begin the rock removal by February 2013. Based on past actions by contractors for the Corps on other projects, the process would likely consist of a drill barge boring openings into the submerged rocks. Explosives would be placed in the holes and detonated, with the rock debris then removed from the channel. Barges would not be allowed to pass the site while these operations are performed. At this time, it is unknown how long the process will take or whether it will be one continuous operation or conducted in stages to allow intermittent barge traffic.

Impact of Closure

Starting in mid-December the drought and reduced Missouri River flows will limit or possibly stop navigation on the affected stretch of the Mississippi River. During a slowdown or stoppage, all export grain barge movements north of the impacted areas would be affected. Since the Illinois River flows into the Mississippi River above St. Louis, export traffic on that river would also be affected. This time of year is important because barges move a significant amount of grain out of the Upper Mississippi River before the winter season. Usually, most of the Upper Mississippi River (above St. Louis) is closed from mid-December to late March due to ice accumulations and winter maintenance. GTR Figure 10 shows that historically average weekly tonnage for Locks 27 normally increases significantly during late November and into December.

In addition, the Mississippi River Locks 27—the southernmost locks on the Mississippi River near St. Louis, MO—will have its main 1,200 foot chamber closed for repairs from December 10, 2012, to March 1, 2013. The smaller auxiliary 600 foot chamber will be open during that period, but there will probably be delays because traffic will have to wait to use the smaller chamber.

Importance to Grain Exports

Barge movements are important to grain exported through the Baton Rouge-New Orleans Mississippi River ports. Based upon 2006-10 data, barges using the Mississippi River carry 54 percent of corn exports and 46 percent of soybean exports. However, the 2012 drought has reduced corn production this year and U.S. corn exports for 2012/13 are forecasted at 1.150 billion bushels, down 25 percent from last year's exports of 1.543 billion bushels.

If barge movements are impeded, grain shippers may need to rely on more expensive options of shipping grain, either by rail to Pacific Northwest ports for export, or by moving it by rail to points south of the bottlenecked section of the river.

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Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators¹

Week ending	Truck	Rail		Barge	Ocean	
		Unit Train	Shuttle		Gulf	Pacific
11/28/12	271	233	203	341	208	188
11/21/12	267	234	203	333	206	184

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)

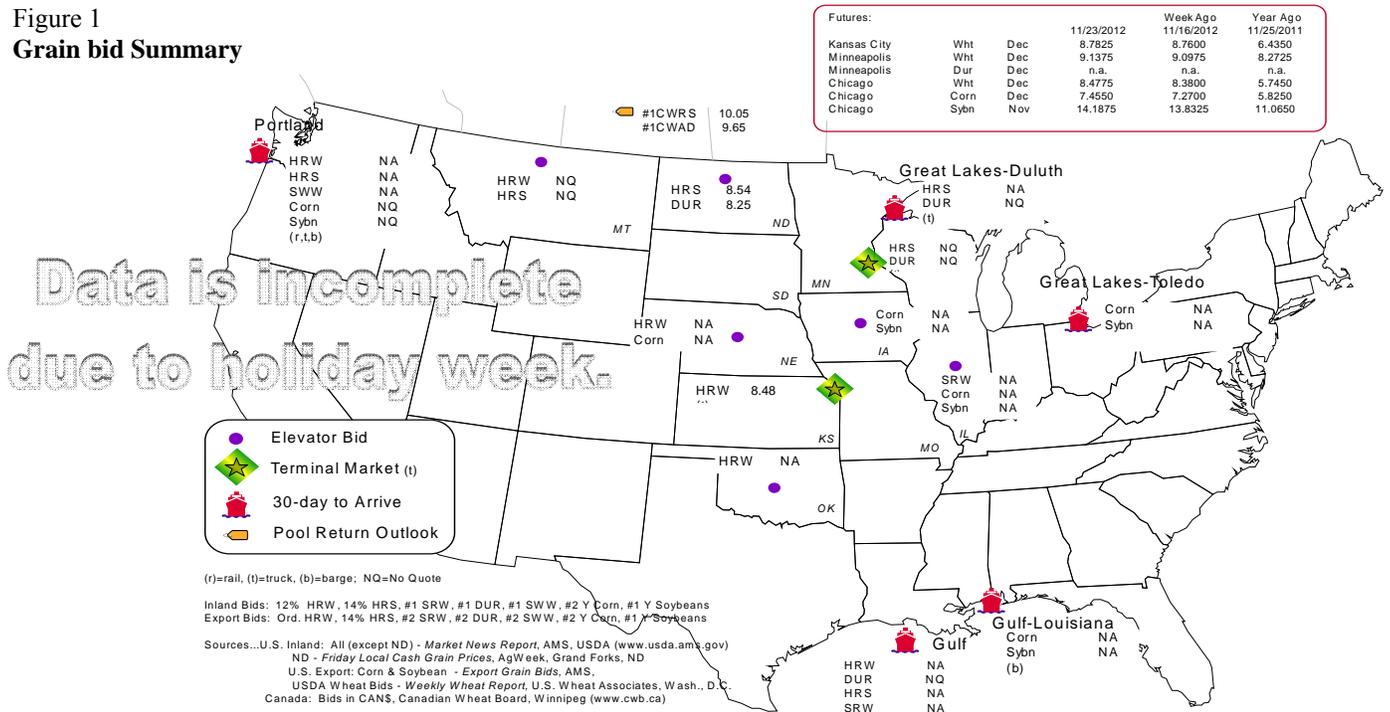
Commodity	Origin--Destination	11/23/2012	11/16/2012
Corn	IL--Gulf	n/a	-0.82
Corn	NE--Gulf	n/a	-0.77
Soybean	IA--Gulf	n/a	-1.33
HRW	KS--Gulf	n/a	-1.56
HRS	ND--Portland	n/a	-1.60

Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 1
Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)¹

Week ending	Mississippi		Pacific	Atlantic &	Total	Week ending	Cross-Border Mexico ³
	Gulf	Texas Gulf	Northwest	East Gulf			
11/21/2012 ^p	1,125	110	4,088	965	6,288	11/17/12	1,504
11/14/2012 ^r	641	572	3,548	1,134	5,895	11/10/12	1,669
2012 YTD ^r	16,049	36,544	180,774	19,955	253,322	2012 YTD	86,282
2011 YTD ^r	26,945	74,236	166,940	21,576	289,697	2011 YTD	87,181
2012 YTD as % of 2011 YTD	60	49	108	92	87	% change YTD	99
Last 4 weeks as % of 2011 ²	194	109	104	153	118	Last 4wks % 2011	80
Last 4 weeks as % of 4-year avg. ²	56	36	96	112	79	Last 4wks % 4 yr	83
Total 2011	27,358	77,515	191,187	24,088	320,148	Total 2011	97,118
Total 2010	33,971	83,492	177,896	32,780	328,139	Total 2010	90,175

¹ Data is incomplete as it is voluntarily provided

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

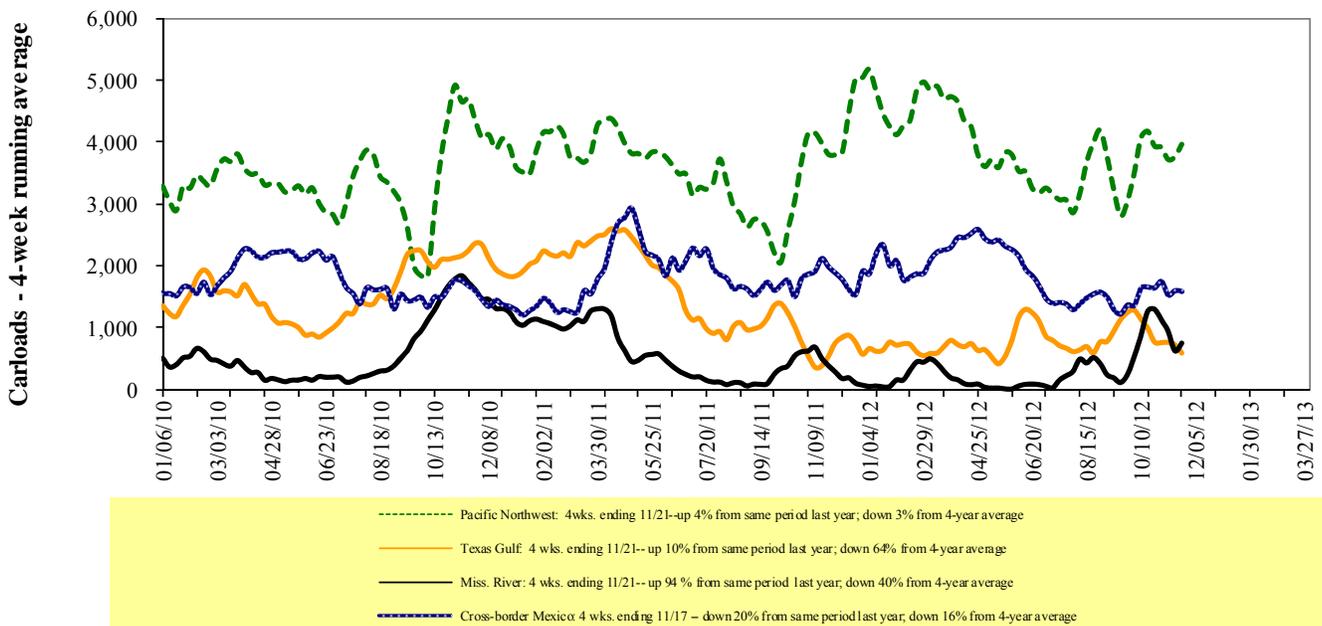
³ Cross-border weekly data is approximately 15 percent below weekly AAR carloads received by Mexican railroads to reflect within switching between KCSM and Ferromex. **YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available**

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

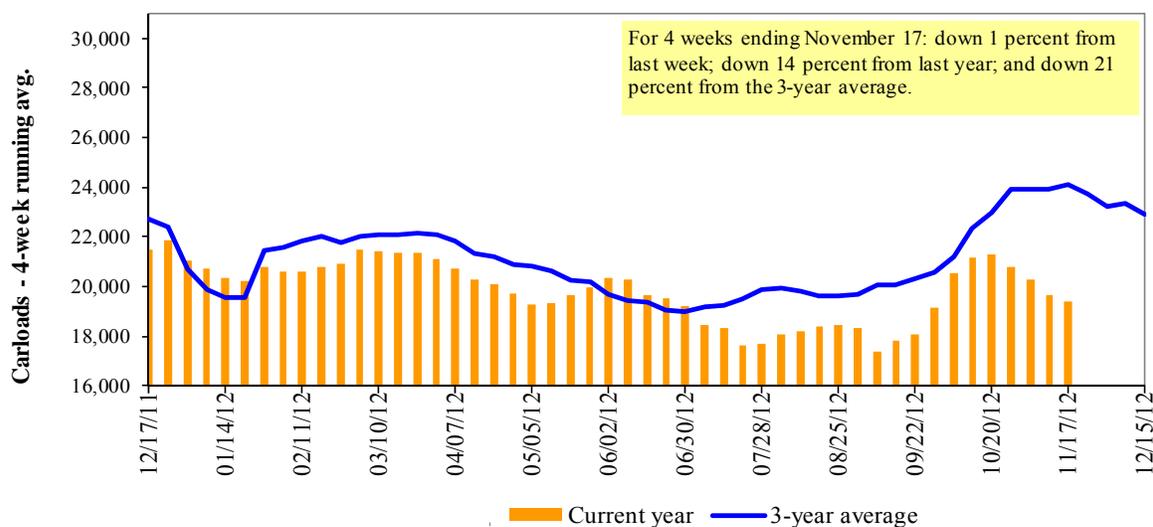
Table 4

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
11/17/12	1,775	2,757	10,872	643	3,345	19,392	4,465	6,669
This week last year	2,365	3,585	10,855	648	5,117	22,570	3,681	6,769
2012 YTD	76,077	128,757	457,970	23,919	221,208	907,931	180,161	230,639
2011 YTD	84,944	134,522	482,463	32,288	263,353	997,570	177,284	237,390
2012 YTD as % of 2011 YTD	90	96	95	74	84	91	102	97
Last 4 weeks as % of 2011 ¹	70	99	96	84	68	87	109	104
Last 4 weeks as % of 3-yr avg. ¹	71	94	92	71	57	80	104	112
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							
	Dec-12	Dec-11	Jan-13	Jan-12	Feb-13	Feb-12	Mar-13	Mar-12
BNSF ³								
COT grain units	0	no bids	0	0	0	0	no bids	no bids
COT grain single-car ⁵	0	0 . . 10	10	0 . . 10	no bids	0	no bids	0
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no offer	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no offer	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.

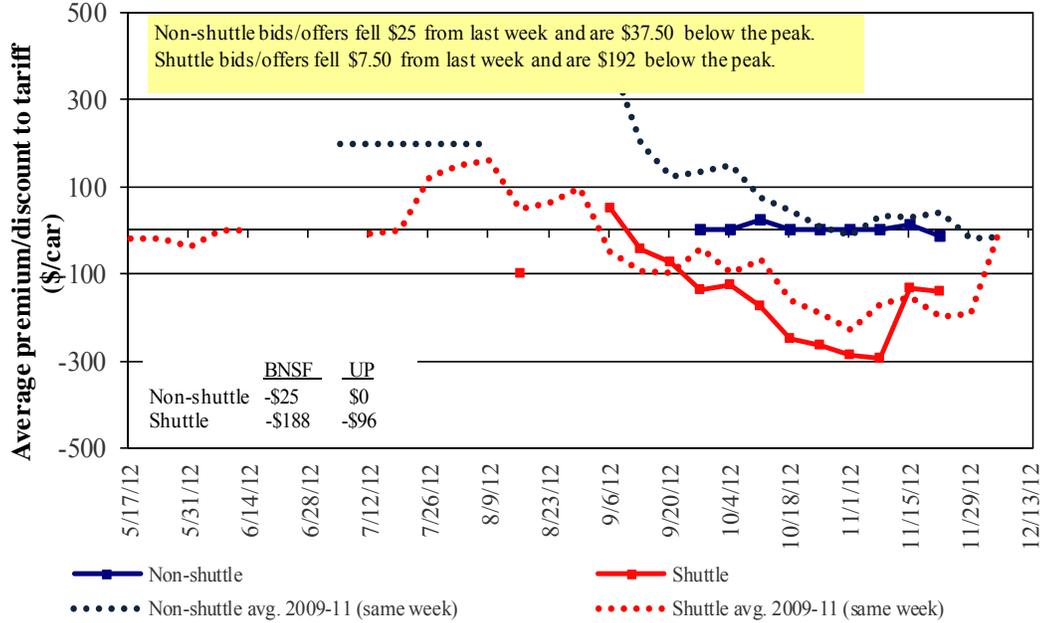
⁵Range is shown because average is not available. Not available = n/a.

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 December 2012, Secondary Market

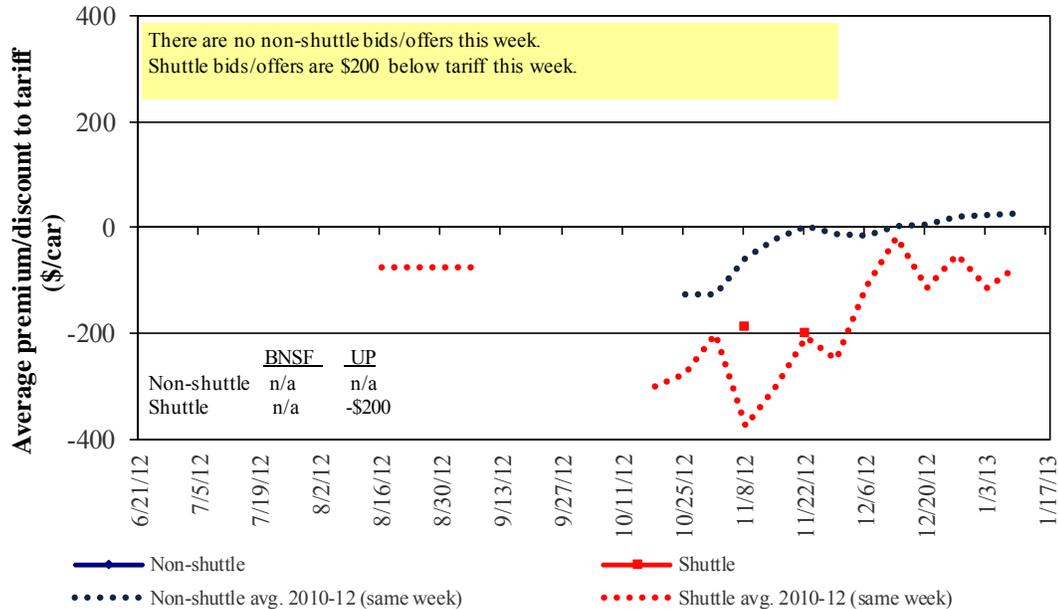


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

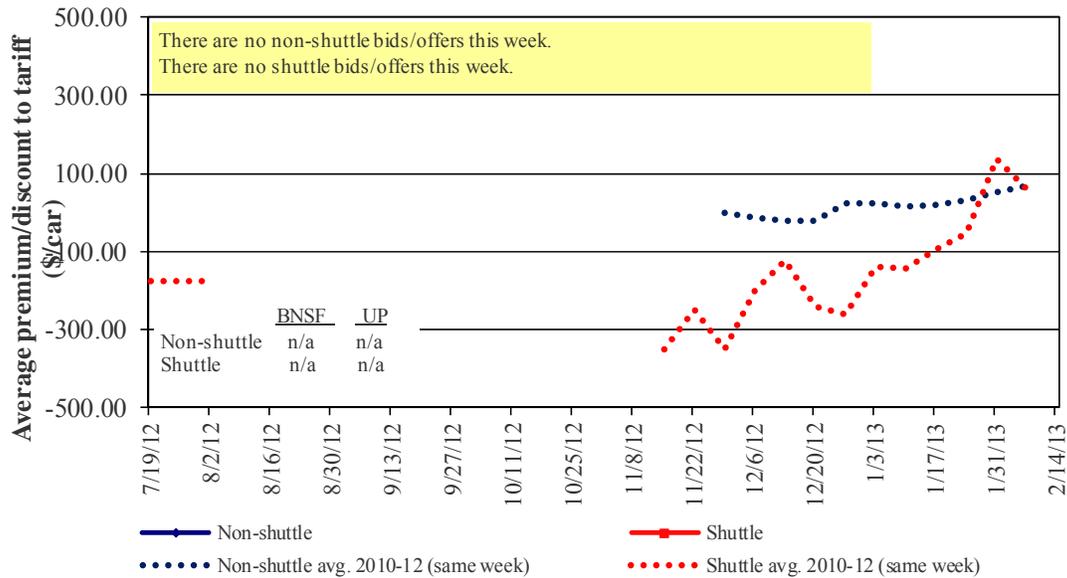
Bids/Offers for Railcars to be Delivered in January 2013, Secondary Market



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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 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					
	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13
Non-shuttle						
BNSF-GF	(25)	n/a	n/a	n/a	n/a	n/a
Change from last week	(50)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	-	n/a	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	8	n/a	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	(188)	n/a	n/a	n/a	n/a	n/a
Change from last week	(50)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	62	n/a	n/a	n/a	n/a	n/a
UP-Pool	(96)	(200)	n/a	n/a	n/a	n/a
Change from last week	35	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	267	n/a	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
11/1/2012	Origin region*	Destination region*	rate/car	surcharge per car	metric ton	bushe ²	change Y/Y ³
Unit train							
Wheat	Wichita, KS	St. Louis, MO	\$3,144	\$207	\$33.28	\$0.91	6
	Grand Forks, ND	Duluth-Superior, MN	\$3,445	\$122	\$35.42	\$0.96	12
	Wichita, KS	Los Angeles, CA	\$6,026	\$627	\$66.07	\$1.80	7
	Wichita, KS	New Orleans, LA	\$3,645	\$365	\$39.82	\$1.08	5
	Sioux Falls, SD	Galveston-Houston, TX	\$5,573	\$515	\$60.46	\$1.65	4
	Northwest KS	Galveston-Houston, TX	\$3,912	\$400	\$42.82	\$1.17	5
	Amarillo, TX	Los Angeles, CA	\$4,112	\$556	\$46.36	\$1.26	5
Corn	Champaign-Urbana, IL	New Orleans, LA	\$3,110	\$412	\$34.98	\$0.95	3
	Toledo, OH	Raleigh, NC	\$4,508	\$468	\$49.41	\$1.34	15
	Des Moines, IA	Davenport, IA	\$2,006	\$87	\$20.79	\$0.57	4
	Indianapolis, IN	Atlanta, GA	\$3,920	\$351	\$42.41	\$1.15	16
	Indianapolis, IN	Knoxville, TN	\$3,354	\$225	\$35.54	\$0.97	18
Soybeans	Des Moines, IA	Little Rock, AR	\$3,154	\$257	\$33.87	\$0.92	4
	Des Moines, IA	Los Angeles, CA	\$5,065	\$747	\$57.72	\$1.57	3
	Minneapolis, MN	New Orleans, LA	\$3,369	\$454	\$37.97	\$1.03	2
	Toledo, OH	Huntsville, AL	\$3,575	\$332	\$38.80	\$1.06	3
	Indianapolis, IN	Raleigh, NC	\$4,578	\$471	\$50.14	\$1.36	4
	Indianapolis, IN	Huntsville, AL	\$3,267	\$225	\$34.68	\$0.94	3
Champaign-Urbana, IL	New Orleans, LA	\$3,599	\$412	\$39.84	\$1.08	7	
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	\$3,481	\$361	\$38.15	\$1.04	9
	Wichita, KS	Galveston-Houston, TX	\$3,634	\$281	\$38.88	\$1.06	16
	Chicago, IL	Albany, NY	\$3,771	\$438	\$41.80	\$1.14	5
	Grand Forks, ND	Portland, OR	\$4,963	\$623	\$55.47	\$1.51	7
	Grand Forks, ND	Galveston-Houston, TX	\$5,984	\$649	\$65.87	\$1.79	6
	Northwest KS	Portland, OR	\$4,793	\$656	\$54.11	\$1.47	3
Corn	Minneapolis, MN	Portland, OR	\$4,800	\$759	\$55.20	\$1.50	2
	Sioux Falls, SD	Tacoma, WA	\$4,760	\$695	\$54.17	\$1.47	2
	Champaign-Urbana, IL	New Orleans, LA	\$2,857	\$412	\$32.47	\$0.88	1
	Lincoln, NE	Galveston-Houston, TX	\$3,310	\$405	\$36.89	\$1.00	2
	Des Moines, IA	Amarillo, TX	\$3,430	\$323	\$37.27	\$1.01	1
	Minneapolis, MN	Tacoma, WA	\$4,800	\$753	\$55.14	\$1.50	2
Soybeans	Council Bluffs, IA	Stockton, CA	\$4,200	\$779	\$49.44	\$1.35	3
	Sioux Falls, SD	Tacoma, WA	\$5,340	\$695	\$59.93	\$1.63	7
	Minneapolis, MN	Portland, OR	\$5,330	\$759	\$60.47	\$1.65	8
	Fargo, ND	Tacoma, WA	\$5,230	\$618	\$58.07	\$1.58	7
	Council Bluffs, IA	New Orleans, LA	\$3,870	\$476	\$43.15	\$1.17	6
	Toledo, OH	Huntsville, AL	\$2,750	\$332	\$30.61	\$0.83	4
Grand Island, NE	Portland, OR	\$4,960	\$671	\$55.92	\$1.52	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

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	\$659	\$85.83	\$2.33	1
	OK	Cuautitlan, EM	\$6,837	\$801	\$78.03	\$2.12	4
	KS	Guadalajara, JA	\$7,444	\$774	\$83.97	\$2.28	-1
	TX	Salinas Victoria, NL	\$3,743	\$302	\$41.33	\$1.12	3
Corn	IA	Guadalajara, JA	\$7,699	\$910	\$87.96	\$2.23	1
	SD	Celaya, GJ ⁵	\$7,356	\$863	\$83.98	\$2.13	n/a
	NE	Queretaro, QA	\$7,153	\$808	\$81.35	\$2.06	2
	SD	Salinas Victoria, NL	\$5,700	\$656	\$64.94	\$1.65	3
	MO	Tlalnepantla, EM	\$6,592	\$785	\$75.37	\$1.91	7
	SD	Torreon, CU	\$6,522	\$722	\$74.02	\$1.88	2
Soybeans	MO	Bojay (Tula), HG	\$7,580	\$768	\$85.29	\$2.32	8
	NE	Guadalajara, JA	\$8,134	\$878	\$92.08	\$2.50	3
	IA	El Castillo, JA	\$8,555	\$857	\$96.17	\$2.61	5
	KS	Torreon, CU	\$6,651	\$544	\$73.52	\$2.00	3
Sorghum	OK	Cuautitlan, EM	\$5,730	\$655	\$65.24	\$1.66	3
	TX	Guadalajara, JA	\$6,653	\$561	\$73.71	\$1.87	1
	NE	Celaya, GJ ⁵	\$6,937	\$783	\$78.88	\$2.00	n/a
	KS	Queretaro, QA	\$6,460	\$492	\$71.03	\$1.80	1
	NE	Salinas Victoria, NL	\$5,178	\$576	\$58.79	\$1.49	3
	NE	Torreon, CU	\$6,068	\$643	\$68.57	\$1.74	0

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

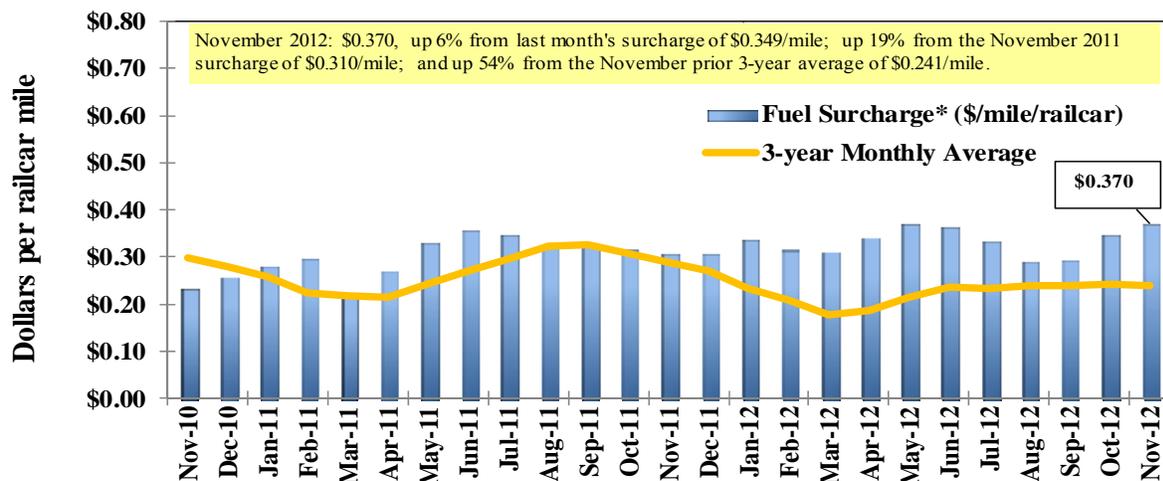
³Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

⁵Beginning 11/1/12, Celaya, GJ, 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.

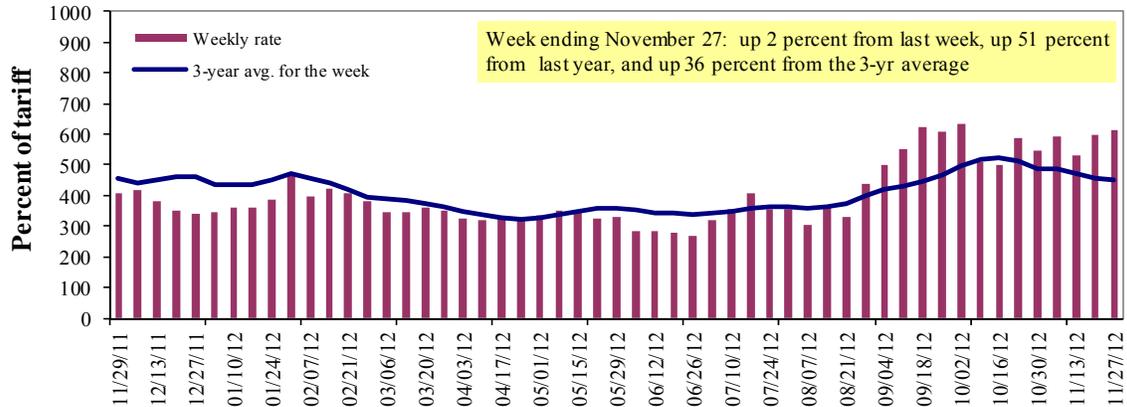
** BNSF strike price (diesel price when fuel surcharges begin) changed from \$1.25/gal. to \$2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was \$0.227/mile instead of \$0.331/mile.

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

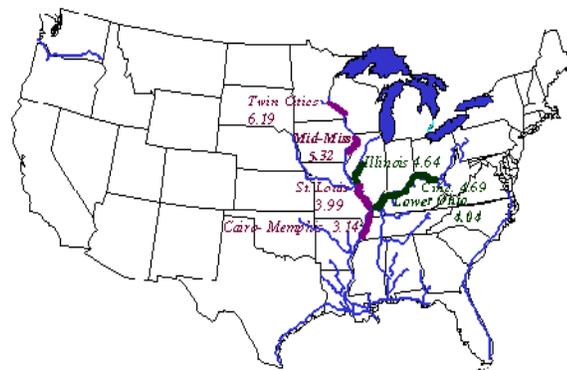
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	11/27/2012	-	588	613	513	508	508	350
	11/20/2012	625	600	600	533	533	533	383
\$/ton	11/27/2012	-	31.28	28.44	20.47	23.83	20.52	10.99
	11/20/2012	38.69	31.92	27.84	21.27	25.00	21.53	12.03
Current week % change from the same week:								
	Last year	-	-	51	76	31	31	30
	3-year avg. ²	-	-	31	35	18	18	8
Rate¹	December	-	-	563	470	450	450	343
	February	-	-	425	408	388	388	318

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



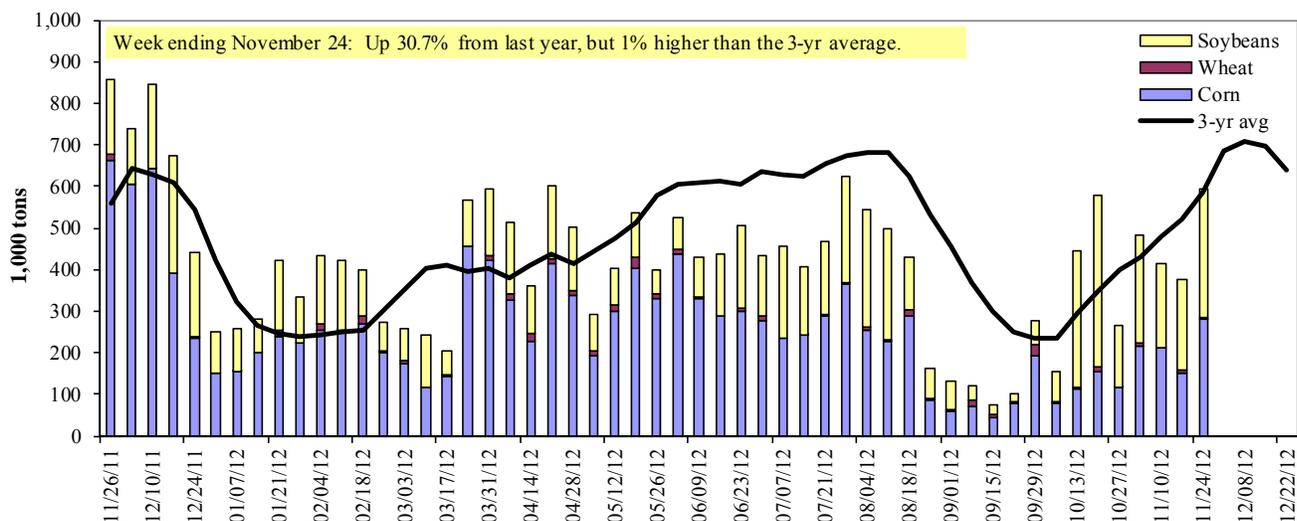
Calculating barge rate per ton:

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

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 11/24/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	118	2	195	2	316
Winfield, MO (L25)	173	2	194	2	370
Alton, IL (L26)	262	5	261	3	531
Granite City, IL (L27)	281	3	310	2	596
Illinois River (L8)	66	3	52	2	123
Ohio River (L52)	25	7	105	0	137
Arkansas River (L1)	0	6	22	0	28
Weekly total - 2012	307	16	437	2	761
Weekly total - 2011	702	25	335	27	1,089
2012 YTD ¹	13,864	1,700	10,715	226	26,505
2011 YTD	17,472	1,355	7,177	386	26,390
2012 as % of 2011 YTD	79	125	149	58	100
Last 4 weeks as % of 2011 ²	49	58	148	29	84
Total 2011	19,921	1,460	8,553	422	30,356

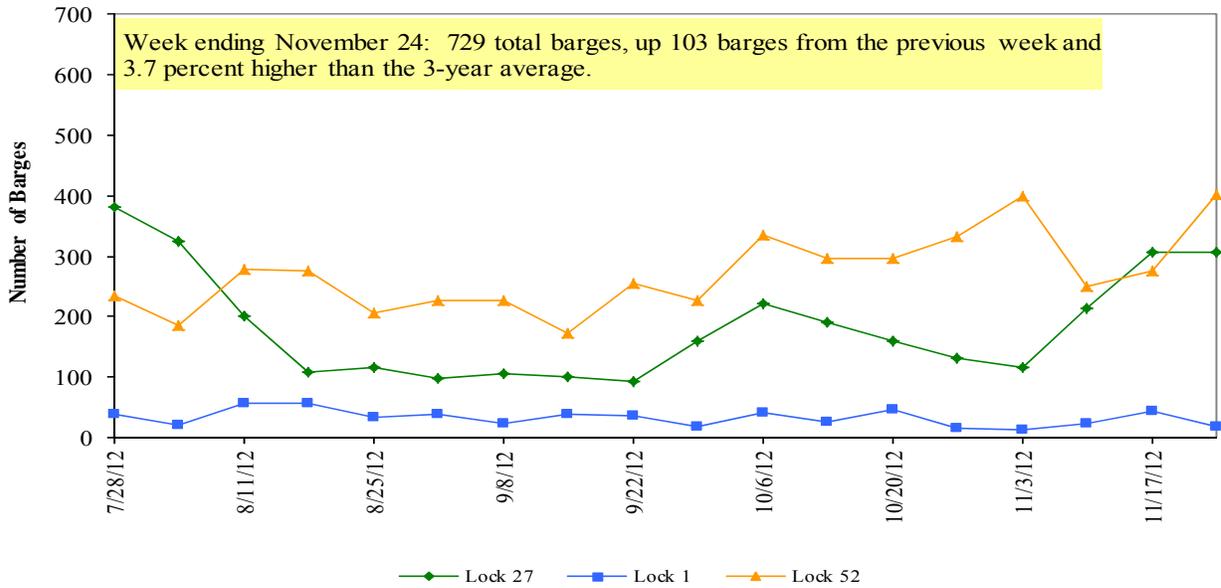
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

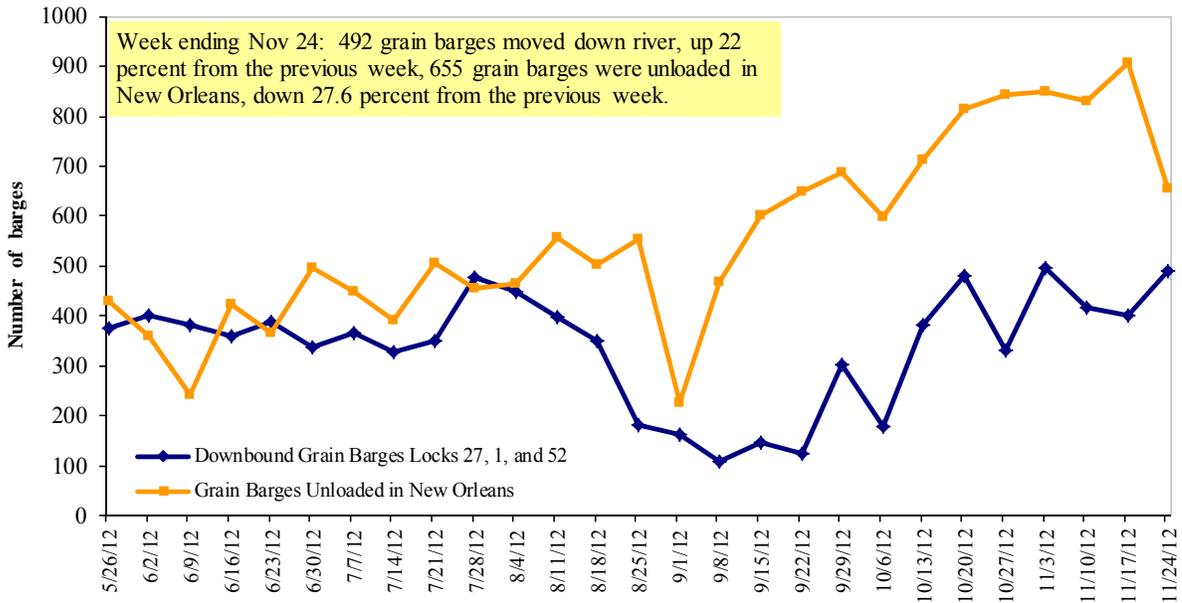
Source: U.S. Army Corps of Engineers

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 11/26/2012 (US \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.092	0.040	0.139
	New England	4.203	0.006	0.158
	Central Atlantic	4.203	0.032	0.146
	Lower Atlantic	3.990	0.055	0.108
II	Midwest ²	4.023	0.114	0.074
III	Gulf Coast ³	3.902	0.037	0.043
IV	Rocky Mountain	4.057	-0.002	-0.037
V	West Coast	4.115	0.021	-0.027
	West Coast less California	4.070	0.032	-
	California	4.153	0.011	-0.071
Total	U.S.	4.034	0.058	0.070

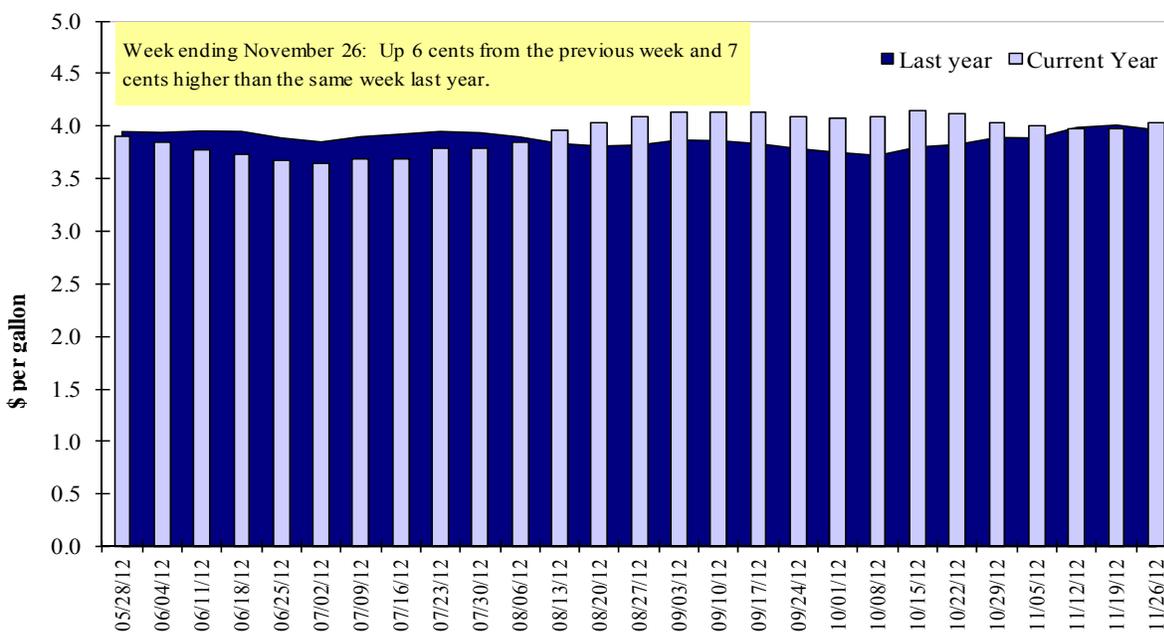
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
11/15/2012	1,514	691	1,286	899	45	4,435	7,204	13,449	25,088
This week year ago	1,461	722	1,184	986	65	4,419	13,643	11,809	29,870
Cumulative exports-marketing year²									
2012/13 YTD	4,596	1,582	2,818	2,148	286	11,430	4,738	8,985	25,153
2011/12 YTD	5,302	1,744	3,339	2,343	271	12,999	8,214	13,596	34,809
YTD 2012/13 as % of 2011/12	87	91	84	92	105	88	58	66	72
Last 4 wks as % of same period 2011/12	102	90	111	93	112	101	50	142	93
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 11/15/12	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	3,702	5,118	(28)	12,367
Mexico	2,736	4,210	(35)	9,617
China	1,021	2,416	(58)	5,414
Korea	418	2,067	(80)	3,639
Venezuela	227	186	22	1,332
Top 5 importers	8,104	13,997	(42)	32,369
Total US corn export sales	11,942	21,857	(45)	39,180
% of Projected	41%	56%		
Change from prior week	770	312		
Top 5 importers' share of U.S. corn export sales	68%	64%		83%
USDA forecast, November 2012	29,210	39,180	(25)	
Corn Use for Ethanol USDA forecast, Ethanol November 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 11/15/2012	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	16,765	14,757	14	24,602
Mexico	1,082	1,257	(14)	3,180
Japan	865	814	6	1,891
Indonesia	473	480	(1)	1,741
Egypt	337	318	6	1,292
Top 5 importers	19,521	17,625	11	32,706
Total US soybean export sales	27,045	20,794	30	37,060
% of Projected	74%	56%		
Change from prior week	544	922		
Top 5 importers' share of U.S. soybean export sales	72%	85%		
USDA forecast, November 2012	36,610	37,060	(1)	

(n) indicates negative number.

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

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 11/15/2012	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	2,082	2,242	(7)	3,512
Mexico	2,184	2,346	(7)	3,496
Nigeria	1,867	1,972	(5)	3,248
Philippines	1,411	1,525	(7)	2,039
Korea	1,093	951	15	1,983
Egypt	150	247	(39)	950
Taiwan	725	499	45	888
Indonesia	368	473	(22)	830
Venezuela	479	391	23	594
Iraq	209	572	(63)	572
Top 10 importers	10,567	11,217	(6)	18,111
Total US wheat export sales	15,865	17,418	(9)	28,560
% of Projected	53%	61%		
Change from prior week	636	615		
Top 10 importers' share of U.S. wheat export sales	67%	64%		63%
USDA forecast, November 2012	29,940	28,560	5	

(n) indicates negative number.

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

Table 16

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

Port regions	Week ending 11/22/12	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	142	164	87	11,690	12,820	91	83	71	13,995
Corn	55	66	83	5,235	7,954	66	27	39	9,198
Soybeans	265	323	82	9,237	6,269	147	154	97	7,321
Total	462	552	84	26,161	27,043	97	89	77	30,513
Mississippi Gulf									
Wheat	65	69	95	5,102	4,762	107	98	106	5,031
Corn	286	236	121	17,076	23,670	72	51	48	26,267
Soybeans	890	1,085	82	20,793	16,707	124	121	113	19,262
Total	1,241	1,390	89	42,971	45,140	95	97	92	50,560
Texas Gulf									
Wheat	0	52	0	5,401	10,350	52	50	35	10,837
Corn	0	0	n/a	336	914	37	0	0	1,021
Soybeans	0	10	0	459	814	56	163	17	926
Total	0	62	0	6,196	12,079	51	53	23	12,784
Interior									
Wheat	6	11	56	1,079	1,042	104	102	92	1,110
Corn	65	63	103	5,893	6,765	87	77	55	7,509
Soybeans	6	55	11	3,839	3,853	100	41	64	4,273
Total	77	128	60	10,811	11,660	93	64	61	12,892
Great Lakes									
Wheat	0	8	0	444	966	46	95	45	1,038
Corn	0	0	n/a	56	167	33	0	0	178
Soybeans	0	86	0	558	260	215	152	82	382
Total	0	93	0	1,057	1,393	76	123	63	1,598
Atlantic									
Wheat	0	0	n/a	341	659	52	0	0	686
Corn	0	0	n/a	139	264	53	0	0	295
Soybeans	77	131	59	1,028	807	127	114	124	1,042
Total	77	131	59	1,507	1,730	87	102	112	2,022
U.S. total from ports²									
Wheat	214	303	71	24,056	30,599	79	77	64	32,697
Corn	405	365	111	28,734	39,734	72	41	45	44,466
Soybeans	1,239	1,689	73	35,914	28,711	125	124	98	33,205
Total	1,857	2,357	79	88,704	99,044	90	88	78	110,369

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

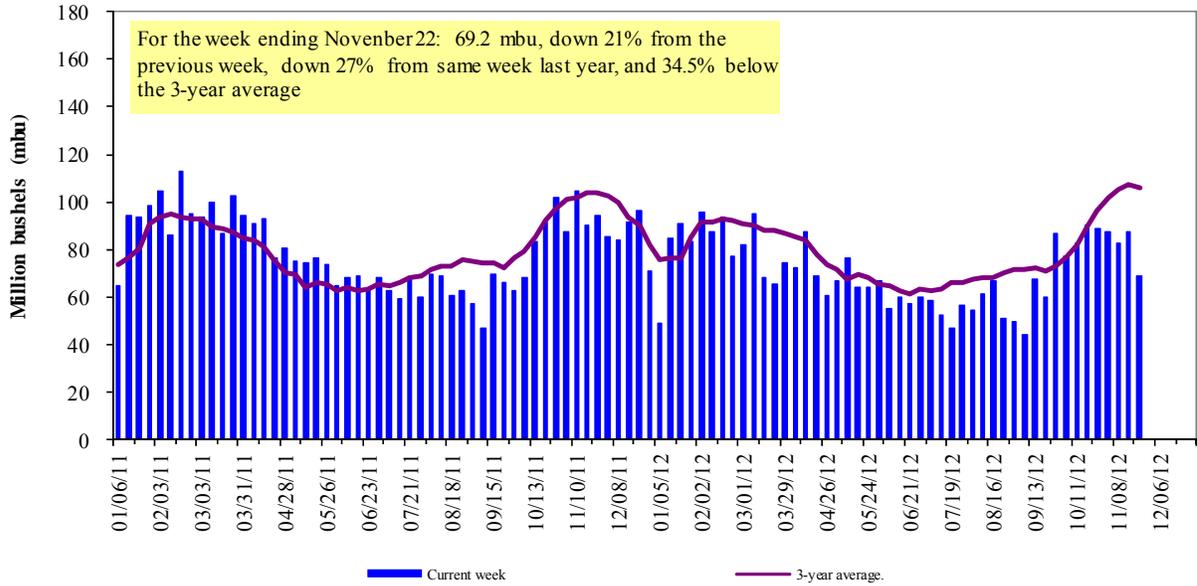
² Total includes only port regions shown above; Interior land-based shipments now included.

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)

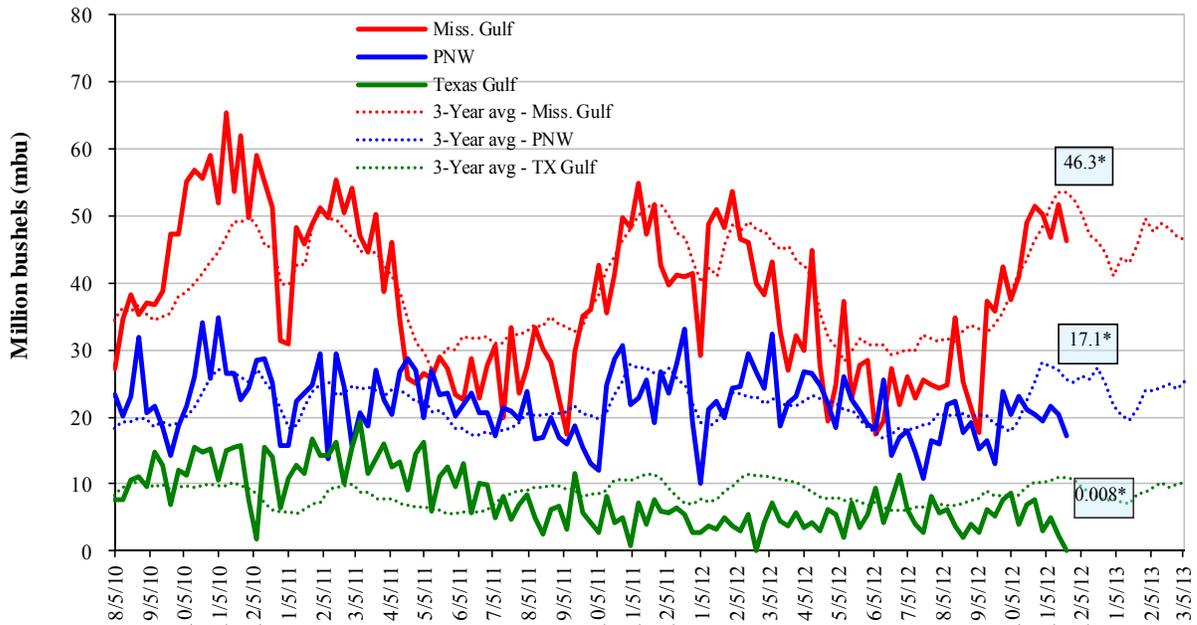


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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>November 22 % change from:</u>	<u>MSGulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	down 10	down 99.6	down 14	down 16
Last year (same week)	down 10	down 99.9	down 22	down 10
3-yr avg (4-wk mov. avg.)	down 13	down 99.9	down 28	down 22.5

Ocean Transportation

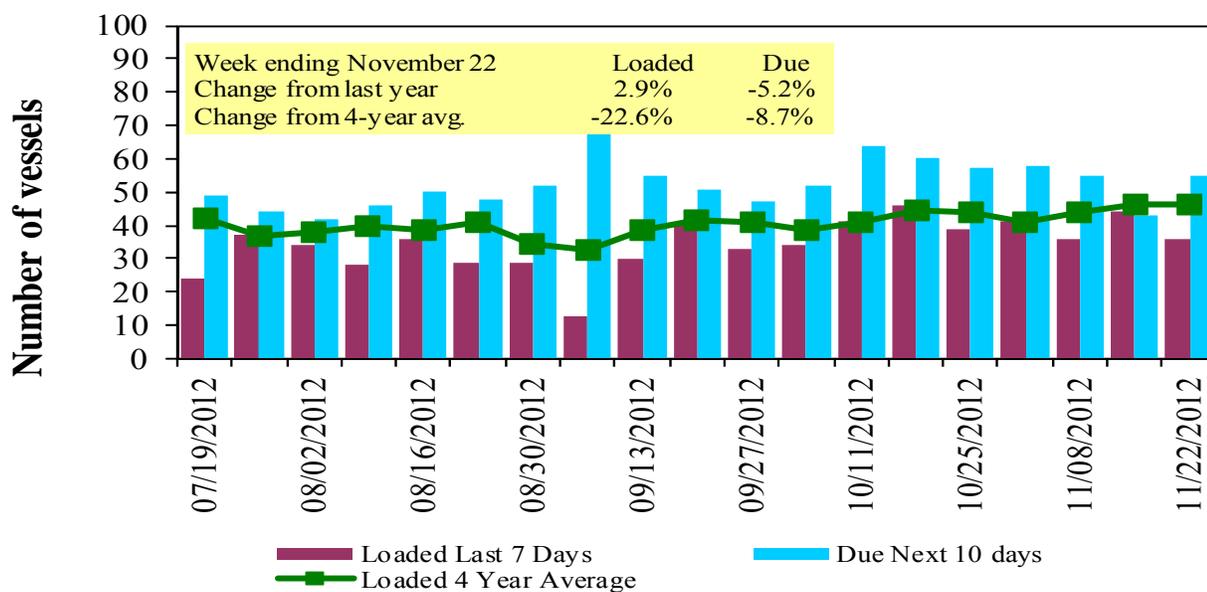
Table 17

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
11/22/2012	33	36	55	n/a	n/a
11/15/2012	39	44	43	16	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

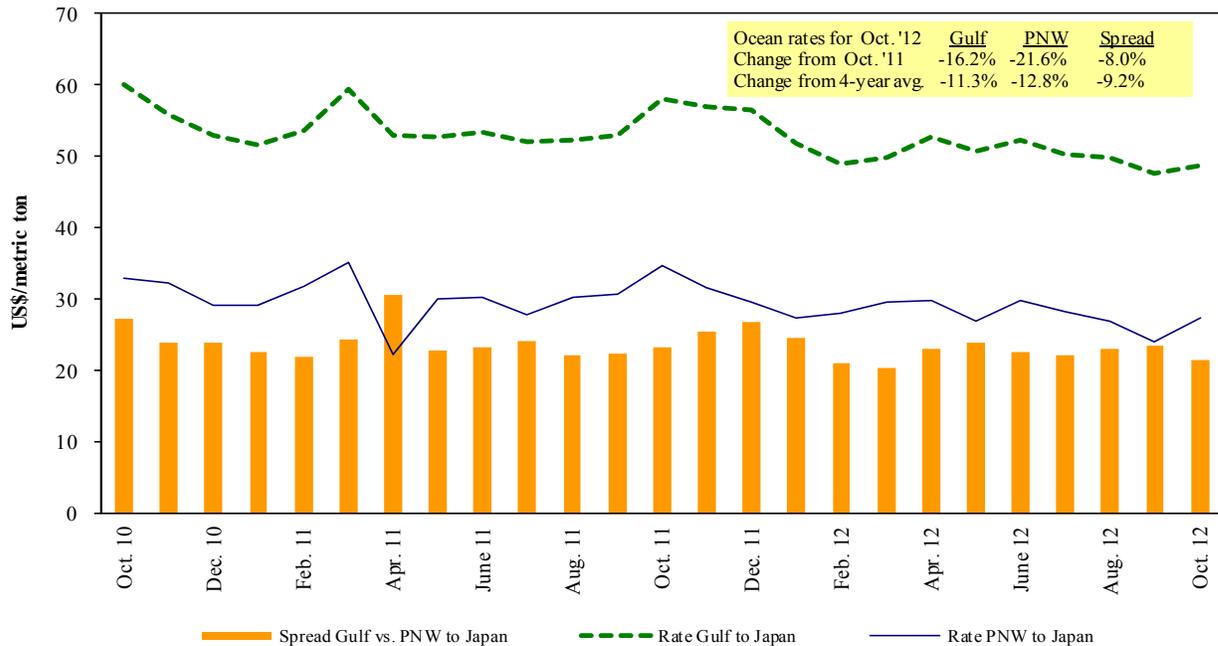
Figure 16
U.S. Gulf¹ Vessel Loading Activity



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 11/17/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 5/10	55,000	42.50
U.S. Gulf	China	Heavy Grain	Nov 20/30	55,000	43.00
U.S. Gulf	China	Heavy Grain	Nov 20/25	55,000	44.85
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	49.00
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	55,000	43.00
U.S. Gulf	Mozambique ¹	Wheat	Sep 20/30	10,000	211.50
Brazil	Portugal	Heavy Grain	Nov 10/20	60,000	15.50
France	Algeria	Wheat	Nov 2/7	25,000	22.00
India	S.Korea	Wheat	Oct5/15	55,000	15.00
River Plate	Tunisia	Heavy Grain	Oct 5/15	30,000	28.50
River Plate	Algeria	Wheat	Nov 7/9	40,000	25.00
Ukraine	S. Arabia	Barley	Oct 25/30	56,500	25.25

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

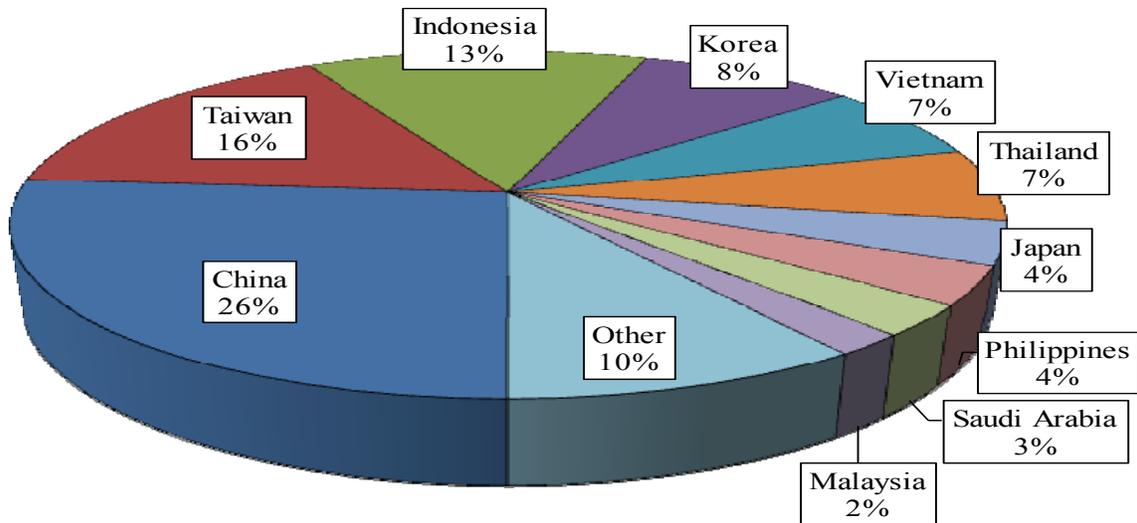
¹50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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, August 2012

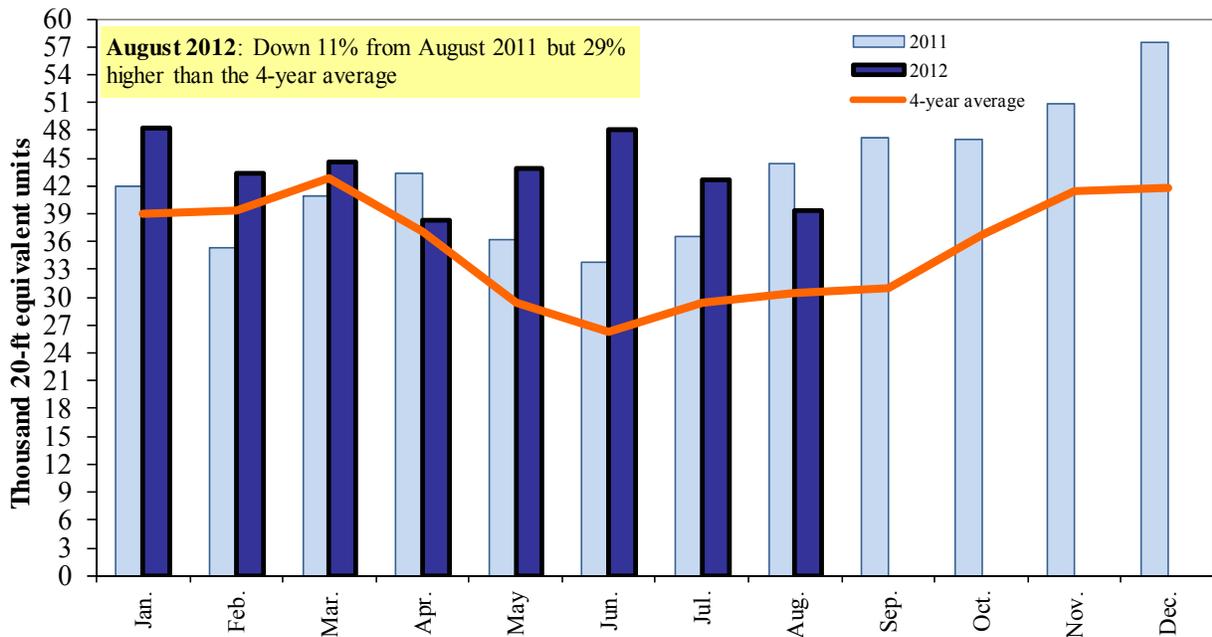


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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