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

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December 8, 2011

Contents

The next release is Dec. 15, 2011

WEEKLY HIGHLIGHTS

Pacific Northwest Inspections Above Average

For the week ending December 1, **total inspections of grain** (corn, wheat, and soybeans) for export from the Pacific Northwest (PNW) region reached .708 million metric tons (mmt), up 39 percent from the previous week and 9 percent above last year at this time. PNW grain inspections were also 13 percent above the four-week running average. The PNW increases are due to a 32 percent jump in corn shipments and a 57 percent increase in wheat shipments, which were headed primarily to Asian destinations. Overall, corn inspections (.981 mmt) increased 7 percent from the past week as shipments of corn rose in each of the three major export regions. Total grain inspections for the week, however, were down 11 percent from the past week due to a notable drop in Texas Gulf wheat and Mississippi Gulf soybean shipments.

Barge Movements Continue As Winter Closings Approach

For the week ending December 8, downbound grain barge shipments through the locking portions of the Mississippi, Ohio, and Arkansas rivers were 938 thousand tons. This is the second highest total this year, only behind last week's total of 1,089 thousand tons. Barge operators continue to position equipment for the last trips out of the upper portions of the Mississippi River before they are closed to navigation during the winter season. A large artic air mass has descended upon the Upper Midwest, leaving daytime temperatures at or below the freezing point. Despite the arrival of winter weather, **empty barges** continue to travel upbound on the Mississippi, Illinois, and Ohio rivers. Mississippi River Locks 27 reported 464 empties for the week ending December 3, 48 percent higher than last December's weekly average.

Rail Strike Avoided

Two unions, the Brotherhood of Locomotive Engineers and Trainmen and the American Train Dispatchers Association, negotiated the remaining hurtles in their contract agreements with the Class I railroads on the night of December 1. They were under pressure to resolve their differences that day or accept a Congressionally mandated version of the Presidential Emergency Board recommendations on the following day. Congress threatened to take legislative action if the parties did not reach agreement in order to prevent a rail strike which could have begun at the expiration of the cooling off period on December 6. The Brotherhood of Maintenance of Way Employees is the only remaining union which has not settled their contract differences with the Class I railroads. However, they have agreed to an additional 60-day cooling off period to resolve outstanding issues by February 8, 2012.

Snapshots by Sector

Rail

U.S. railroads originated 19,908 **carloads of grain** during the week ending November 26, down 12 percent from last week, 1 percent from last year, and 13 percent lower than the 3-year average.

During the week ending December 1, average December non-shuttle **secondary railcar bids/offers** were $15.50 below tariff, up $1 from last week and $41 higher than last year. Average shuttle rates were $191.50 below tariff, up $115 from last week and $127.50 higher than last year.

Barge

During the week ending December 3, **barge grain movements** totaled 937,793 tons, 14 percent lower than the previous week and 16 percent lower than the same period last year.

During the week ending December 3, 605 grain barges **moved down river**, down 12.6 percent from last week; 714 grain barges were **unloaded in New Orleans**, up 7 percent from the previous week

Ocean

During the week ending December 1, 32 **ocean-going grain vessels** were loaded in the Gulf, down 33 percent from last year. Fifty-three vessels are expected to be loaded within the next 10 days, 24 percent less than the same period last year.

During the week ending December 2, ocean freight rate for shipping bulk grain from the Gulf to Japan was $56 per metric ton (mt), 2 percent less than the previous week. The cost of shipping from the Pacific Northwest to Japan was $29.50 per mt—5 percent less than the previous week.

Containerized Grain Exports

Containerized grain exports to Asia in September were 146 percent higher than the previous year, 85 percent higher than the 3-year average, and 6 percent higher than August movements.

Fuel

During the week ending December 5, U.S. average **diesel fuel prices** decreased 3 cents to $3.93 per gallon—down 0.8 percent from the previous week but 23 percent higher than the same week last year.

Feature Article/Calendar

Increased Truck and Rail Rates Pushed up Grain Transportation Costs to Mexico

The transportation costs of shipping grain to Mexico from the United States increased during the third quarter for shipments through both water and land routes. The increase in transportation costs of shipping through the water route was caused mainly by increases in the truck, ocean, and barge rates (table). The costs of transporting grain overland increased due to an increase in the rail rate. The transportation costs of shipping corn and soybeans by water route increased by 3 percent and the cost for transporting wheat increased by 4 percent during the quarter. The costs of transporting corn, soybeans, and wheat to Mexico by land increased by 2, 1 and 5 percent, respectively.

Quarterly costs of transporting U.S. grain to Guadalajara, Mexico

	Water route					Land route				
	$/metric ton					$/metric ton				
	2010	2011	2011	Percent change		2010	2011	2011	Percent change	
	3rd qtr.	2nd qtr.	3rd qtr.	Yr. to Yr.	Qtr. to Qtr.	3rd qtr.	2nd qtr.	3rd qtr.	Yr. to Yr.	Qtr. to Qtr.
Corn										
Origin			IL					IA		
Truck	9.74	11.34	12.62	29.6	11.3	4.89	3.88	3.38	-30.9	-12.9
Rail [1]	40.09	45.54	45.80	14.2	0.6	76.54	83.21	85.19	11.3	2.4
Ocean[2]	21.64	18.86	19.89	-8.1	5.5					
Barge	22.87	22.50	22.82	-0.2	1.4					
Total transportation cost	94.34	98.24	101.13	7.2	2.9	81.43	87.09	88.57	8.8	1.7
Farm Value	148.15	261.01	257.47	73.8	-1.4	145.92	245.66	257.86	76.7	5.0
Landed Cost	242.49	359.25	358.60	47.9	-0.2	227.35	332.75	346.43	52.4	4.1
Transport % of landed cost	39	27	28			36	26	26		
Soybeans										
Origin			IL					NE		
Truck	9.74	11.34	12.62	29.6	11.3	4.89	3.88	3.38	-30.9	-12.9
Rail [1]	40.09	45.54	45.80	14.2	0.6	75.12	84.31	85.90	14.4	1.9
Ocean[2]	21.64	18.86	19.89	-8.1	5.5					
Barge	22.87	22.52	22.82	-0.2	1.3					
Total transportation cost	94.34	98.26	101.13	7.2	2.9	80.01	88.19	89.28	11.6	1.2
Farm Value	371.11	493.59	488.69	31.7	-1.0	356.41	477.67	465.42	30.6	-2.6
Landed Cost	465.45	591.85	589.82	26.7	-0.3	436.42	565.86	554.70	27.1	-2.0
Transport % of landed cost	20	17	17			18	16	16		
Wheat										
Origin			KS					KS		
Truck*	27.91	33.78	35.74	28.1	5.8	4.89	3.88	3.38	-30.9	-12.9
Rail [1]	40.09	45.54	45.80	14.2	0.6	74.62	78.32	82.55	10.6	5.4
Ocean[2]	21.64	18.86	19.89	-8.1	5.5					
Barge	17.46	14.57	15.59	-10.7	7.0					
Total transportation cost	107.10	112.75	117.02	9.3	3.8	79.51	82.20	85.93	8.1	4.5
Farm Value	198.91	288.68	272.64	37.1	-5.6	198.91	288.68	272.64	37.1	-5.6
Landed Cost	306.01	401.43	389.66	27.3	-2.9	278.42	370.88	358.57	28.8	-3.3
Transport % of landed cost	35	28	30			29	22	24		

[1]Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are estimated based on actual quoted market rates. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains. Rail rates include fuel surcharges. Origins are modified from past tables. Rail rates for water route were revised from previous estimates

[2]Source: O'Neil Commodity Consulting

Trucking rates for the water route increased partly due to an increase in demand for trucking services delivering grain to barge-servicing elevators during the harvest season and also due to higher diesel fuel prices. Barge rates increased due to seasonal demand during the harvest. There was a modest increase in the rail rates caused by relatively high fuel surcharges. Ocean freight rates increased as the global freight market improved slightly during the third quarter (**GTR, dated 11/10/11**).

Despite the increase in transportation costs and a general decline in farm prices, transportation's share of the landed costs either remained the same or increased marginally compared to the previous quarter. However, the transportation share of the landed costs declined significantly compared to a year ago. This is because farm prices are still significantly higher than a year ago. Transportation's share of the landed costs ranged from 17-30 percent for the water route and 16-26 percent for the land route.

Market Outlook: During July-September, about 1.89 million metric tons (mmt) of U.S. corn were exported to Mexico—4 percent more than the same period a year earlier. Just over 0.74 mmt of soybeans and 0.84 mmt of wheat were exported to Mexico—16 and 23 percent above the same period last year. The value of corn, soybeans, and wheat exports grew by 73, 53, and 71 percent, respectively, due to robust U.S. farm prices. The import of corn from Mexico is expected to increase to 9.8 mmt due to lower-than-previously estimated domestic production **(USDA, *GAIN Report # MX 1077*)**. Production was revised downward due to lower-than-expected planted area and adverse weather conditions. Moderate or low transportation costs could complement or boost the expected increase in Mexico's corn imports. For more on shipments and trade to Mexico, see ***Mexico Transport Cost Indicator Report.***
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Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean Gulf	Ocean Pacific
12/07/11	264	95	233	250	209
11/30/11	266	79	225	255	220

[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

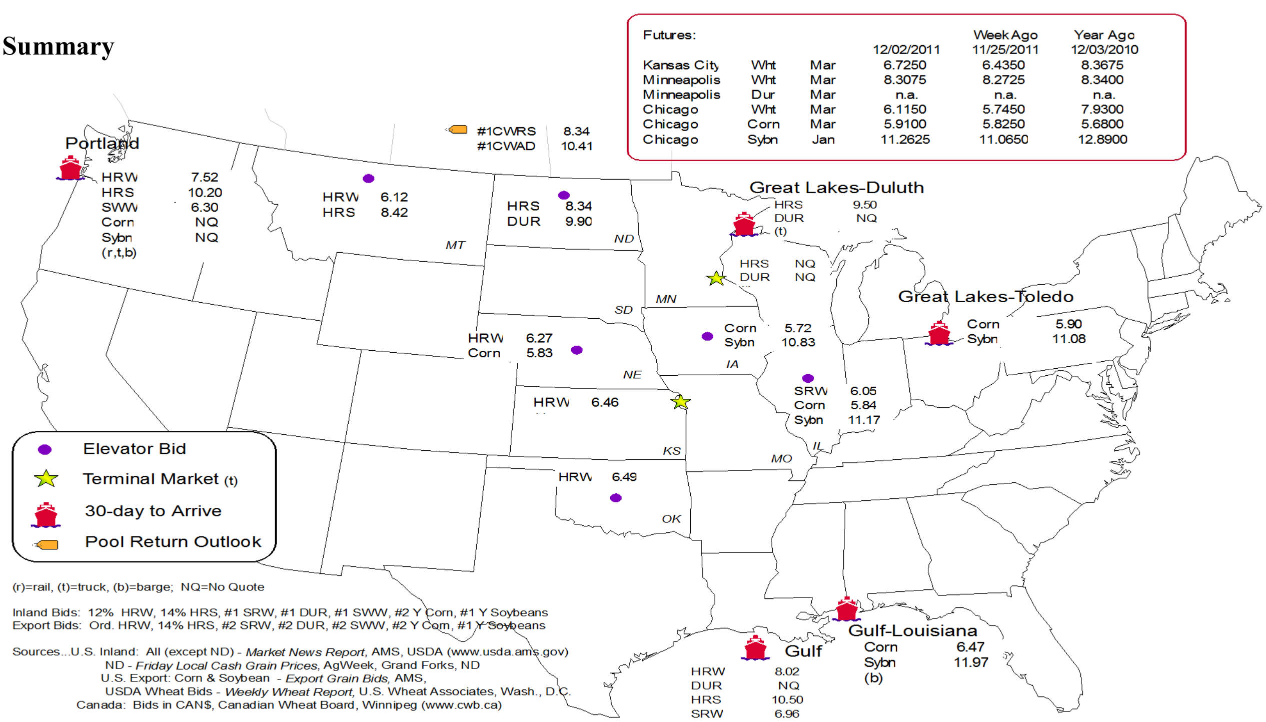
Table 2
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	12/2/2011	11/25/2011
Corn	IL--Gulf	-0.63	-0.72
Corn	NE--Gulf	-0.64	-0.79
Soybean	IA--Gulf	-1.14	-1.16
HRW	KS--Gulf	-1.56	n/a
HRS	ND--Portland	-1.86	n/a

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
11/30/2011[p]	125	986	768	3,426	394	5,699
11/23/2011[r]	405	1,091	862	2,824	693	5,875
2011 YTD	27,070	75,222	45,126	164,321	21,970	333,709
2010 YTD	28,959	76,188	40,233	162,163	29,894	337,437
2011 YTD as % of 2010 YTD	93	99	112	101	73	99
Last 4 weeks as % of 2010[2]	19	32	129	80	58	61
Last 4 weeks as % of 4-year avg.[2]	19	34	120	74	63	60
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.

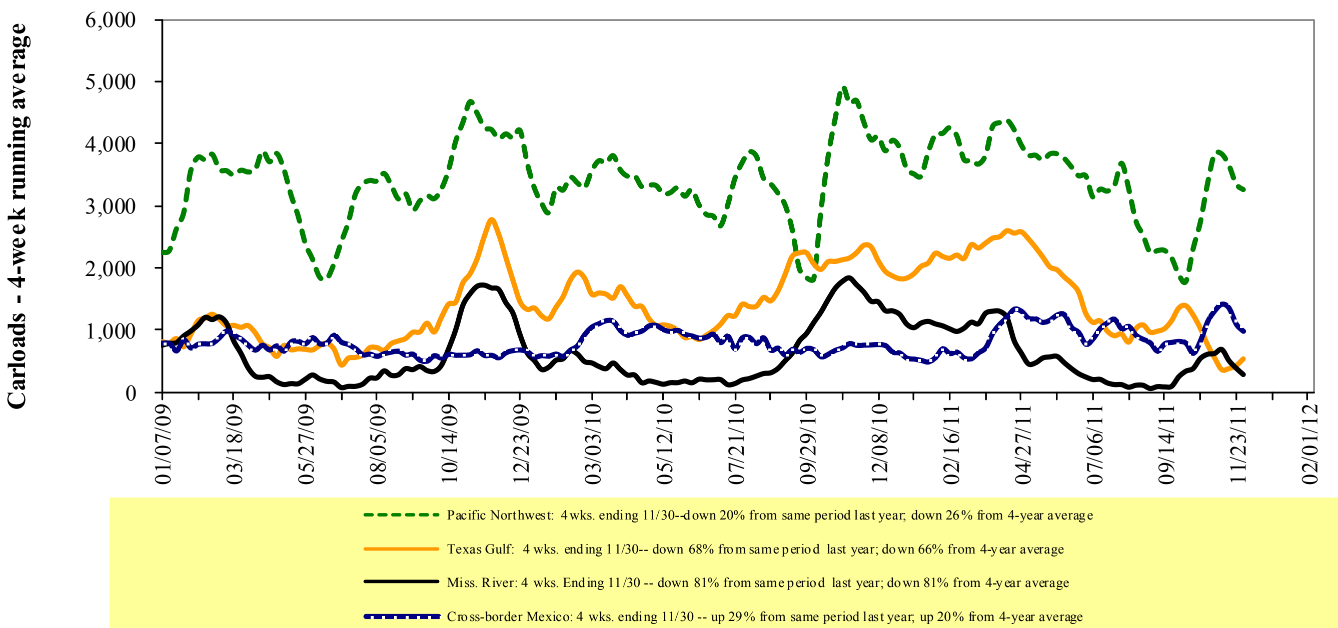
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

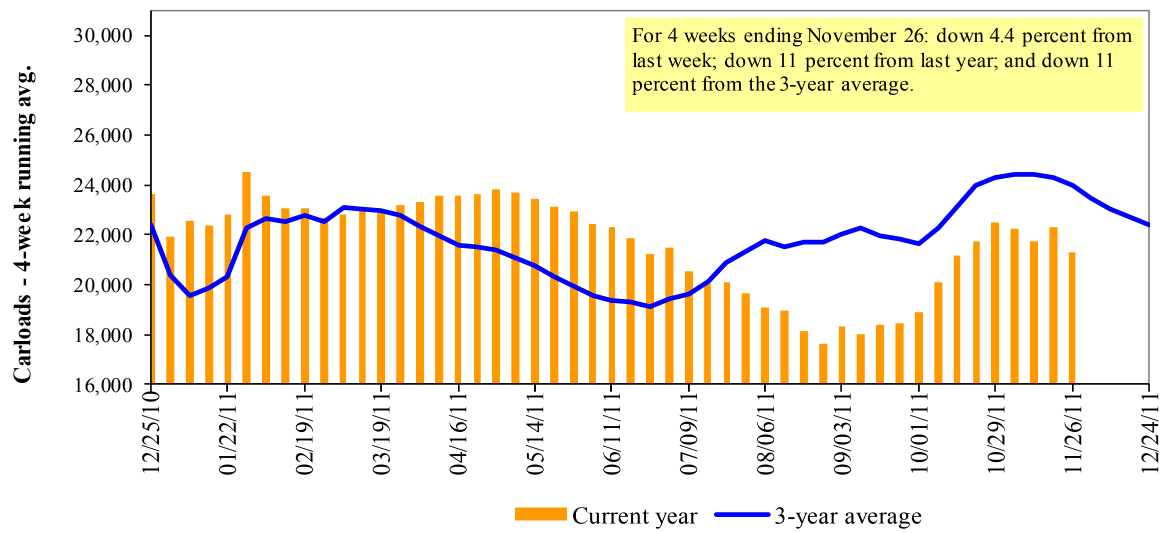
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
11/26/11	3,039	2,403	9,771	110	4,585	19,908	3,634	4,667
This week last year	2,183	2,582	9,512	367	5,415	20,059	3,886	4,441
2011 YTD	87,983	136,925	492,234	32,398	267,938	1,017,478	180,918	242,057
2010 YTD	100,784	144,062	493,148	32,591	266,515	1,037,100	183,843	242,450
2011 YTD as % of 2010 YTD	87	95	100	99	101	98	98	100
Last 4 weeks as % of 2010[1]	116	95	91	84	74	89	92	110
Last 4 weeks as % of 3-yr avg.[1]	111	91	94	65	75	89	85	101
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	Delivery period							
12/1/2011	**Dec-11**	**Dec-10**	**Jan-12**	**Jan-11**	**Feb-12**	**Feb-11**	**Mar-12**	**Mar-11**
BNSF[3]								
COT grain units	no bids	no bids	no bids	no bids	no bids	no bids	no bids	0
COT grain single-car[5]	3 . . 7	0	10	0	no bids	0	no bids	0
UP[4]								
GCAS/Region 1	no bids	no bids	no bids	no bids	no offer	no bids	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no offer	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.

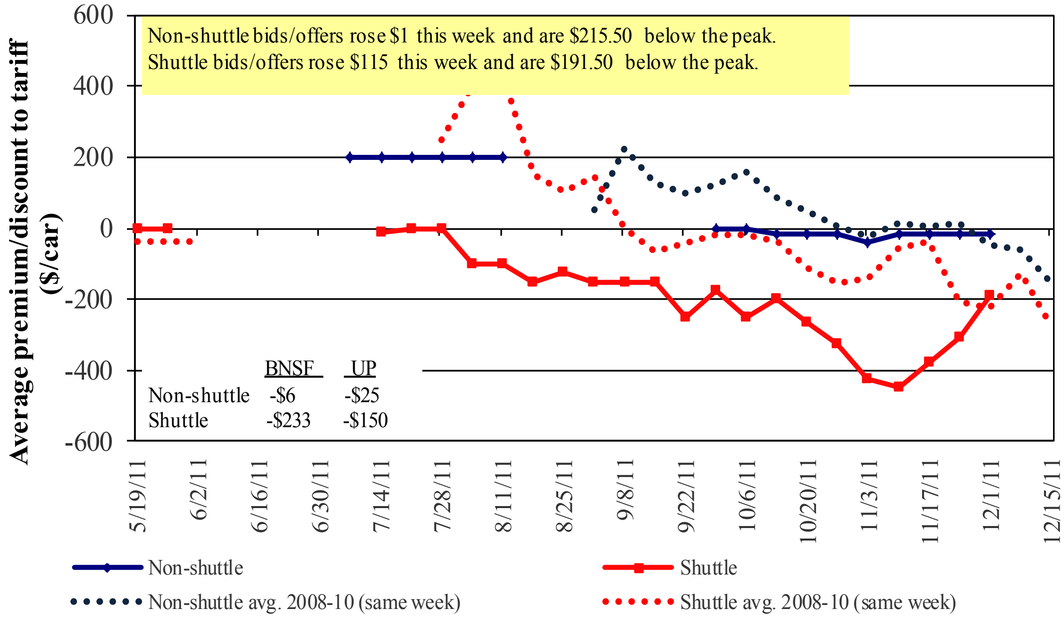
[5]Range is shown because average is not available. Not available = n/a.

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 December 2011, Secondary Market

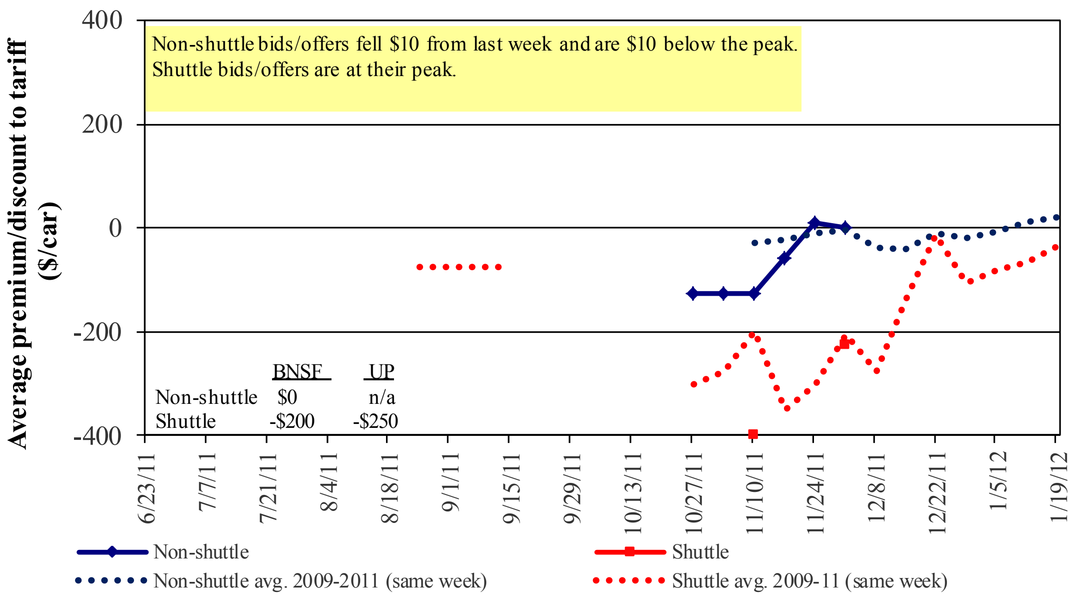


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

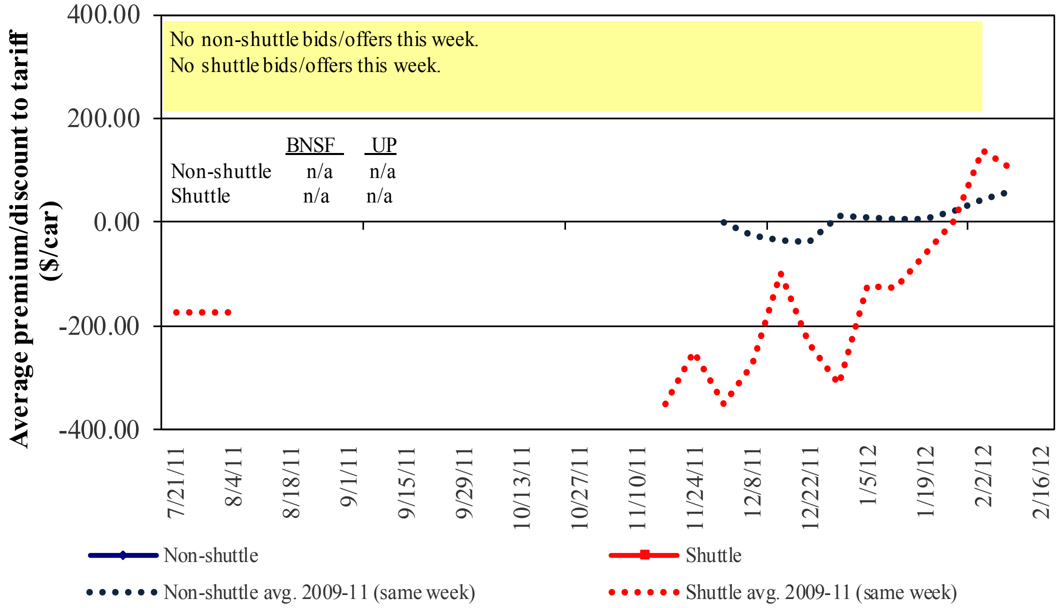


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 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					
12/1/2011	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12
Non-shuttle						
BNSF-GF	(6)	-	n/a	n/a	n/a	n/a
Change from last week	19	(10)	n/a	n/a	n/a	n/a
Change from same week 2010	69	25	n/a	n/a	n/a	n/a
UP-Pool	(25)	n/a	n/a	n/a	n/a	n/a
Change from last week	(17)	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	13	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(233)	(200)	n/a	n/a	n/a	n/a
Change from last week	17	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	(20)	n/a	n/a	n/a	n/a	n/a
UP-Pool	(150)	(250)	n/a	n/a	n/a	n/a
Change from last week	213	n/a	n/a	n/a	n/a	n/a
Change from same week 2010	275	25	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 Shipments[1]

Effective date: 12/5/2011	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	$172	$31.42	$0.86	10
	Grand Forks, ND	Duluth-Superior, MN	$3,097	$98	$31.73	$0.86	18
	Wichita, KS	Los Angeles, CA	$5,710	$505	$61.72	$1.68	8
	Wichita, KS	New Orleans, LA	$3,492	$303	$37.68	$1.03	10
	Sioux Falls, SD	Galveston-Houston, TX	$5,410	$414	$57.84	$1.57	5
	Northwest KS	Galveston-Houston, TX	$3,760	$332	$40.63	$1.11	9
	Amarillo, TX	Los Angeles, CA	$3,959	$461	$43.90	$1.19	10
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,062	$342	$33.80	$0.92	13
	Toledo, OH	Raleigh, NC	$3,942	$390	$43.02	$1.17	8
	Des Moines, IA	Davenport, IA	$1,934	$72	$19.92	$0.54	6
	Indianapolis, IN	Atlanta, GA	$3,381	$293	$36.48	$0.99	9
	Indianapolis, IN	Knoxville, TN	$2,833	$188	$30.00	$0.82	5
	Des Moines, IA	Little Rock, AR	$3,074	$213	$32.64	$0.89	7
	Des Moines, IA	Los Angeles, CA	$4,985	$620	$55.66	$1.51	18
Soybeans	Minneapolis, MN	New Orleans, LA	$3,489	$372	$38.34	$1.04	8
	Toledo, OH	Huntsville, AL	$3,057	$277	$33.11	$0.90	8
	Indianapolis, IN	Raleigh, NC	$4,013	$392	$43.75	$1.19	8
	Indianapolis, IN	Huntsville, AL	$2,749	$188	$29.16	$0.79	8
	Champaign-Urbana, IL	New Orleans, LA	$3,406	$342	$37.22	$1.01	12
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,239	$290	$35.05	$0.95	8
	Wichita, KS	Galveston-Houston, TX	$3,144	$226	$33.47	$0.91	6
	Chicago, IL	Albany, NY	$3,645	$365	$39.83	$1.08	8
	Grand Forks, ND	Portland, OR	$4,702	$502	$51.67	$1.41	8
	Grand Forks, ND	Galveston-Houston, TX	$5,745	$522	$62.24	$1.69	9
	Northwest KS	Portland, OR	$4,727	$544	$52.34	$1.42	9
Corn	Minneapolis, MN	Portland, OR	$4,800	$611	$53.73	$1.46	9
	Sioux Falls, SD	Tacoma, WA	$4,760	$559	$52.82	$1.44	9
	Champaign-Urbana, IL	New Orleans, LA	$2,877	$342	$31.97	$0.87	12
	Lincoln, NE	Galveston-Houston, TX	$3,310	$326	$36.11	$0.98	9
	Des Moines, IA	Amarillo, TX	$3,430	$268	$36.72	$1.00	6
	Minneapolis, MN	Tacoma, WA	$4,800	$606	$53.68	$1.46	9
	Council Bluffs, IA	Stockton, CA	$4,200	$627	$47.93	$1.30	11
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,040	$559	$55.60	$1.51	10
	Minneapolis, MN	Portland, OR	$5,030	$611	$56.02	$1.52	10
	Fargo, ND	Tacoma, WA	$4,930	$497	$53.90	$1.47	9
	Council Bluffs, IA	New Orleans, LA	$3,710	$394	$40.76	$1.11	10
	Toledo, OH	Huntsville, AL	$2,672	$277	$29.28	$0.80	9
	Grand Island, NE	Portland, OR	$4,520	$557	$50.41	$1.37	5

[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: 12/5/2011				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,741	$531	$84.52	$2.30	11
	OK	Cuautitlan, EM	$6,804	$556	$75.20	$2.04	11
	KS	Guadalajara, JA	$7,411	$836	$84.26	$2.29	9
	TX	Salinas Victoria, NL	$3,753	$227	$40.66	$1.11	11
Corn	IA	Guadalajara, JA	$7,699	$843	$87.28	$2.21	9
	SD	Penjamo, GJ	$7,776	$694	$86.55	$2.20	13
	NE	Queretaro, QA	$7,048	$720	$79.37	$2.01	14
	SD	Salinas Victoria, NL	$5,650	$528	$63.12	$1.60	12
	MO	Tlalnepantla, EM	$6,227	$701	$70.80	$1.80	16
	SD	Torreon, CU	$6,522	$581	$72.58	$1.84	11
Soybeans	MO	Bojay (Tula), HG	$6,986	$738	$78.92	$2.15	13
	NE	Guadalajara, JA	$7,904	$843	$89.37	$2.43	14
	IA	El Castillo, JA[5]	$8,255	$690	$91.40	$2.48	13
	KS	Torreon, CU	$6,396	$574	$71.22	$1.94	14
Sorghum	OK	Cuautitlan, EM	$5,885	$527	$65.52	$1.66	17
	TX	Guadalajara, JA	$6,653	$452	$72.59	$1.84	13
	NE	Penjamo, GJ	$7,446	$789	$84.14	$2.14	12
	KS	Queretaro, QA	$6,353	$494	$69.95	$1.78	13
	NE	Salinas Victoria, NL	$5,103	$469	$56.93	$1.44	12
	NE	Torreon, CU	$6,068	$608	$68.21	$1.73	9

[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

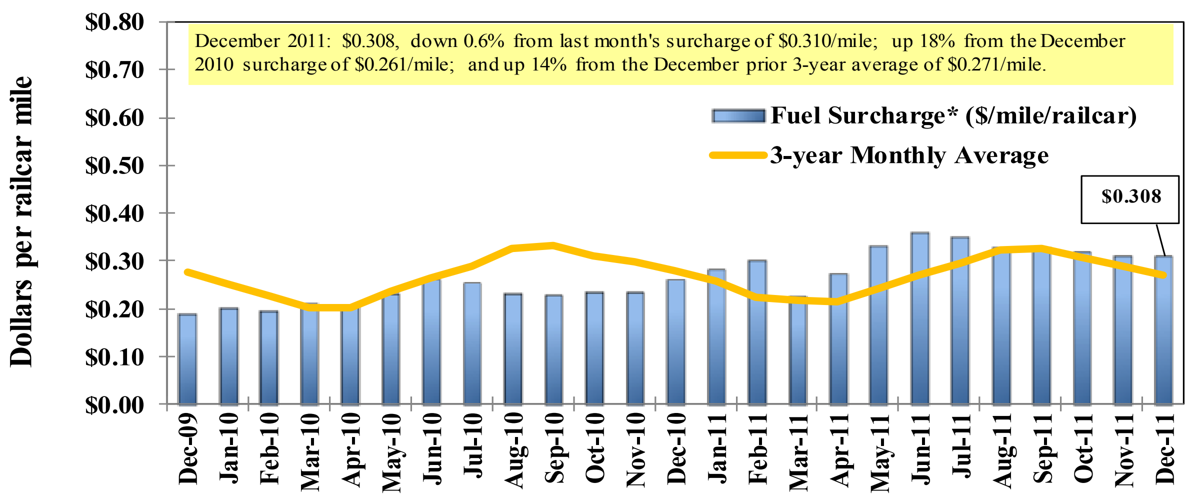
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[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.

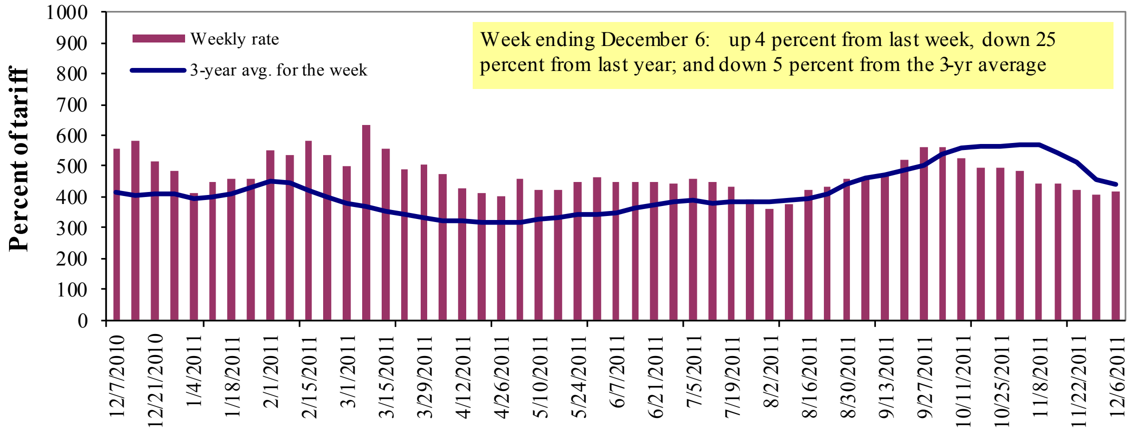
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]	12/6/2011	--	--	420	303	375	375	303
	11/29/2011	--	--	405	292	387	387	268
$/ton	12/6/2011	--	--	19.49	12.09	17.59	15.15	9.51
	11/29/2011	--	--	18.79	11.65	18.15	15.63	8.42
Current week % change from the same week:								
	Last year	--	--	-25	-31	-25	-25	-24
	3-year avg. [2]	--	--	-5	-16	-6	-6	-8
Rate[1]	January	--	--	428	302	380	380	303
	March	--	418	420	300	375	375	300

[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

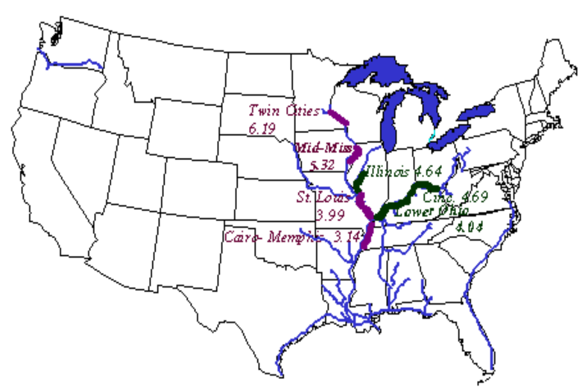
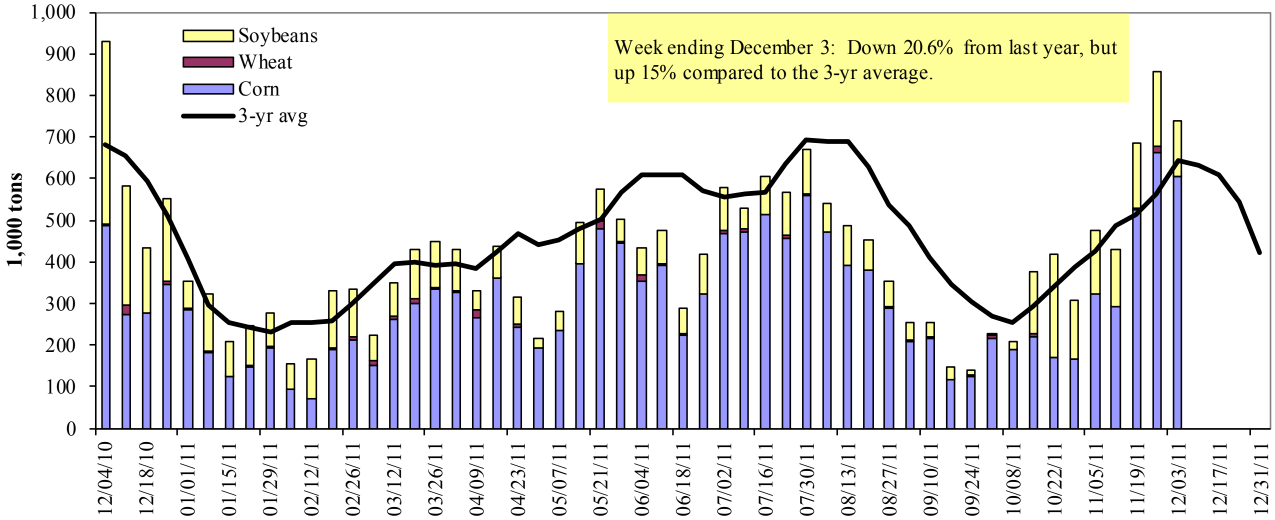


Figure 10

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 12/3/2011	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	190	0	49	0	239
Winfield, MO (L25)	423	2	112	13	550
Alton, IL (L26)	590	2	135	17	744
Granite City, IL (L27)	605	2	131	17	754
Illinois River (L8)	186	0	17	5	208
Ohio River (L52)	56	4	86	7	153
Arkansas River (L1)	3	7	18	3	31
Weekly total - 2011	663	12	236	27	938
Weekly total - 2010	517	9	576	13	1,115
2011 YTD[1]	18,135	1,367	7,413	413	27,328
2010 YTD	21,334	1,120	9,083	447	31,984
2011 as % of 2010 YTD	85	122	82	92	85
Last 4 weeks as % of 2010[2]	125	240	76	109	104
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.

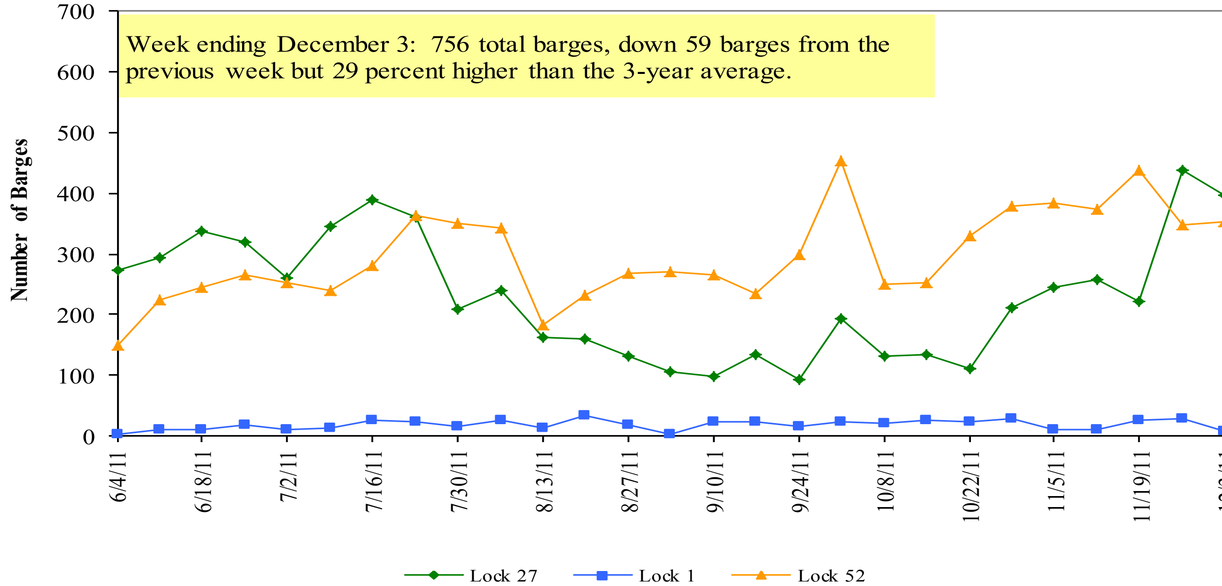
[2] As a percent of same period in 2010.

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

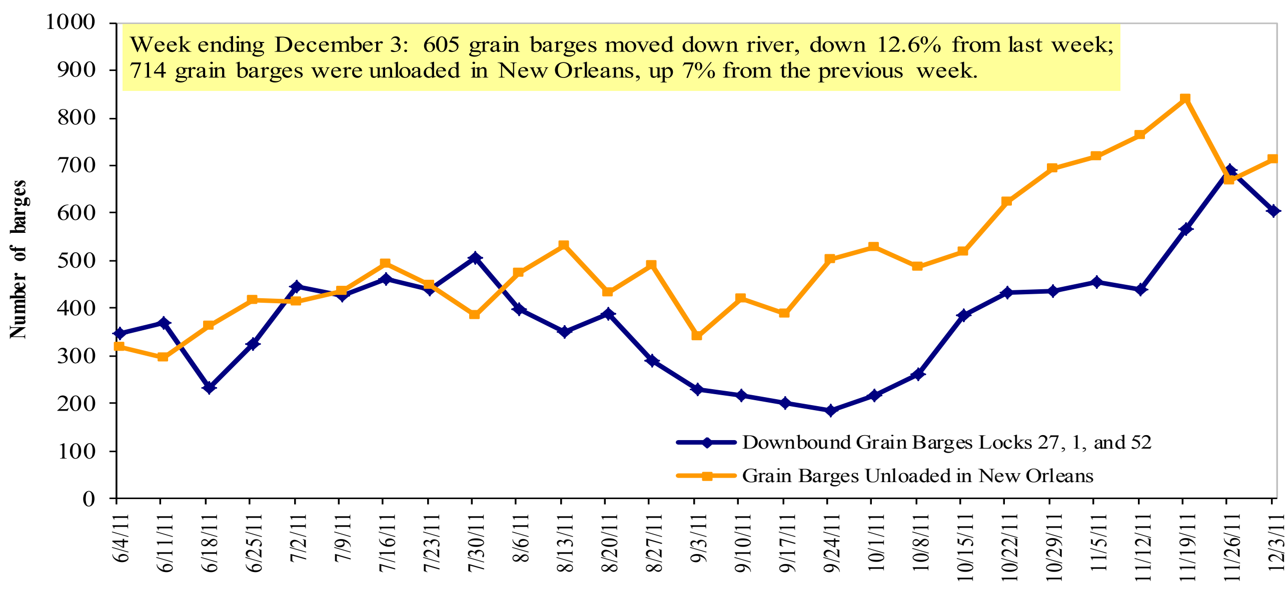
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 12/5/2011 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.934	-0.019	0.728
	New England	4.036	-0.009	0.721
	Central Atlantic	4.018	-0.039	0.690
	Lower Atlantic	3.862	-0.020	0.718
II	Midwest[2]	3.907	-0.042	0.732
III	Gulf Coast[3]	3.828	-0.031	0.696
IV	Rocky Mountain	4.035	-0.059	0.759
V	West Coast	4.105	-0.037	0.784
	California	4.172	-0.052	0.820
Total	U.S.	3.931	-0.033	0.734

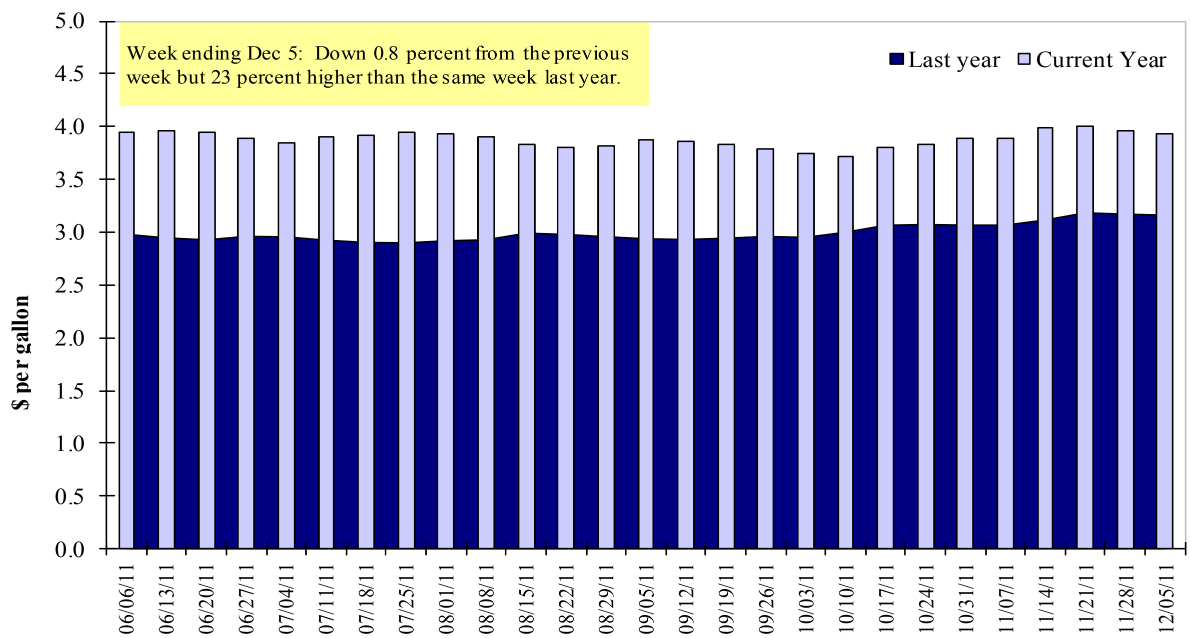
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
11/24/2011	1,370	740	1,310	1,143	55	4,620	13,114	11,081	28,815
This week year ago	3,650	780	2,808	1,329	174	8,740	12,389	17,599	38,728
Cumulative exports-marketing year [2]									
2011/12 YTD	5,462	1,798	3,376	2,371	294	13,301	9,029	10,202	32,532
2010/11 YTD	6,895	952	3,820	2,239	556	14,461	10,479	15,165	40,105
YTD 2011/12 as % of 2010/11	79	189	88	106	53	92	86	67	81
Last 4 wks as % of same period 2010/11	38	91	42	73	34	50	83	67	78
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 11/24/11	Total Commitments[2] 2011/12 Current MY	Total Commitments[2] 2010/11 Last MY	% change current MY from last MY	Exports[3] 2010/11
	- 1,000 mt -			- 1,000 mt -
Japan	5,189	6,644	(22)	14,279
Mexico	4,287	3,352	28	7,019
Korea	2,198	2,987	(26)	6,104
Egypt	328	1,604	(80)	3,302
Taiwan	907	966	(6)	2,393
Top 5 importers	**12,909**	**15,552**	**(17)**	**33,096**
Total US corn export sales	**22,143**	**22,868**	**(3)**	**46,610**
% of Projected	54%	49%		
Change from Last Week	281	758		
Top 5 importers' share of U.S. corn export sales	58%	68%		
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 11/24/2011	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	15,291	20,989	(27)	24,445
Mexico	1,267	1,480	(14)	3,215
Japan	35	1,088	(97)	1,887
EU-25	224	1,031	(78)	2,607
Indonesia	542	667	(19)	1,397
Top 5 importers	**17,360**	**25,254**	**(31)**	**33,551**
Total US soybean export sales	**21,283**	**32,763**	**(35)**	**40,690**
% of Projected	59%	80%		
Change from last week	490	1,342		
Top 5 importers' share of U.S. soybean export sales	82%	77%		
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 11/24/2011	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	1,972	2,068	(5)	3,233
Japan	2,242	2,272	(1)	3,148
Mexico	2,413	1,957	23	2,601
Philippines	1,638	1,667	(2)	1,518
Korea	1,028	1,210	(15)	1,111
Peru	548	687	(20)	923
Taiwan	499	553	(10)	913
Colombia	406	497	(18)	783
Indonesia	473	381	24	781
Yemen	272	296		659
Top 10 importers	**11,490**	**11,587**	**(1)**	**15,670**
Total US wheat export sales	**17,921**	**23,202**	**(23)**	**33,439**
% of Projected	67%	66%		
Change from last week	1,245	2,975		
Top 10 importers' share of U.S. wheat export sales	64%	50%		
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 12/01/11	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	222	142	157	13,042	10,181	128	113	99	11,062
Corn	227	172	132	8,181	9,293	88	127	134	9,950
Soybeans	259	194	133	6,528	9,111	72	66	63	10,191
Total	**708**	**508**	**139**	**27,751**	**28,585**	**97**	**93**	**90**	**31,203**
Mississippi Gulf									
Wheat	70	84	83	4,832	3,814	127	68	67	4,199
Corn	601	481	125	24,272	27,545	88	116	124	29,794
Soybeans	449	806	56	17,156	19,961	86	72	84	22,519
Total	**1,120**	**1,371**	**82**	**46,260**	**51,320**	**90**	**84**	**95**	**56,512**
Texas Gulf									
Wheat	68	182	37	10,418	8,660	120	52	68	9,339
Corn	33	25	131	948	1,746	54	80	109	1,859
Soybeans	56	0	n/a	870	1,690	51	23	26	1,916
Total	**157**	**207**	**76**	**12,236**	**12,096**	**101**	**46**	**57**	**13,115**
Interior									
Wheat	8	12	68	1,050	853	123	102	116	926
Corn	115	232	49	6,880	6,033	114	70	141	6,388
Soybeans	78	58	135	3,929	3,390	116	123	109	3,641
Total	**201**	**302**	**66**	**11,859**	**10,276**	**115**	**80**	**128**	**10,954**
Great Lakes									
Wheat	0	30	0	966	1,785	54	21	35	1,897
Corn	0	8	0	167	100	167	n/a	44	119
Soybeans	0	0	n/a	260	536	48	25	18	655
Total	**0**	**39**	**0**	**1,393**	**2,422**	**58**	**24**	**28**	**2,672**
Atlantic									
Wheat	27	0	n/a	686	314	218	12,888	2,535	343
Corn	4	0	n/a	268	460	58	55	62	469
Soybeans	21	80	27	829	1,227	68	96	120	1,417
Total	**53**	**80**	**66**	**1,782**	**2,001**	**89**	**102**	**125**	**2,229**
U.S. total from ports[2]									
Wheat	395	449	88	30,994	25,607	121	70	79	27,765
Corn	981	918	107	40,715	45,177	90	123	128	48,580
Soybeans	862	1,138	76	29,571	35,914	82	69	76	40,340
Total	**2,238**	**2,506**	**89**	**101,280**	**106,699**	**95**	**83**	**91**	**116,684**

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

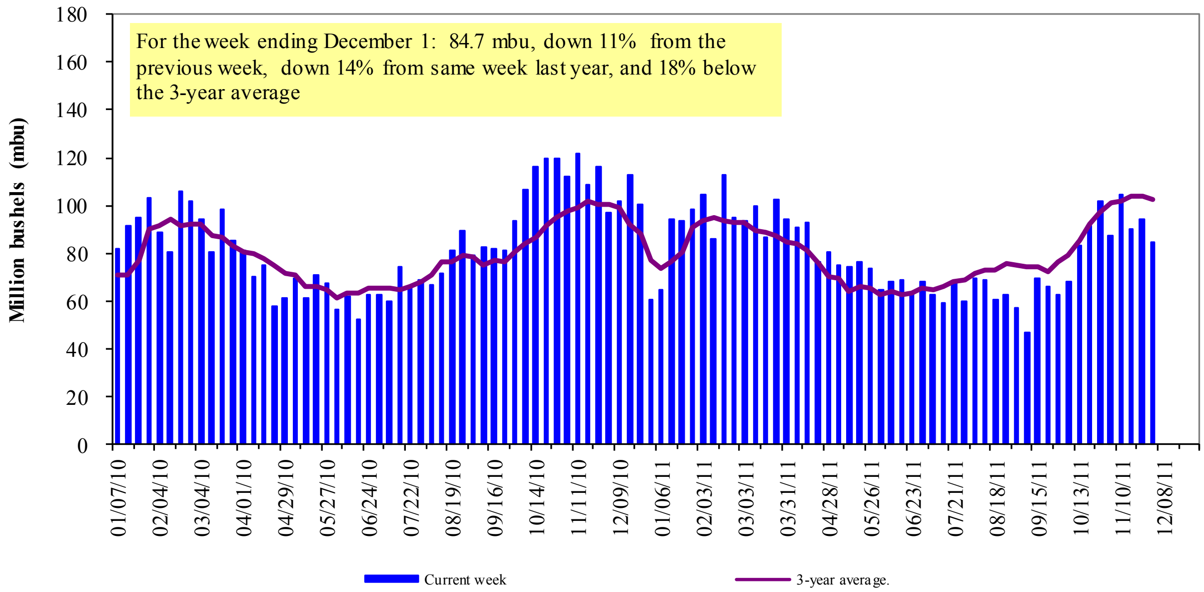
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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)

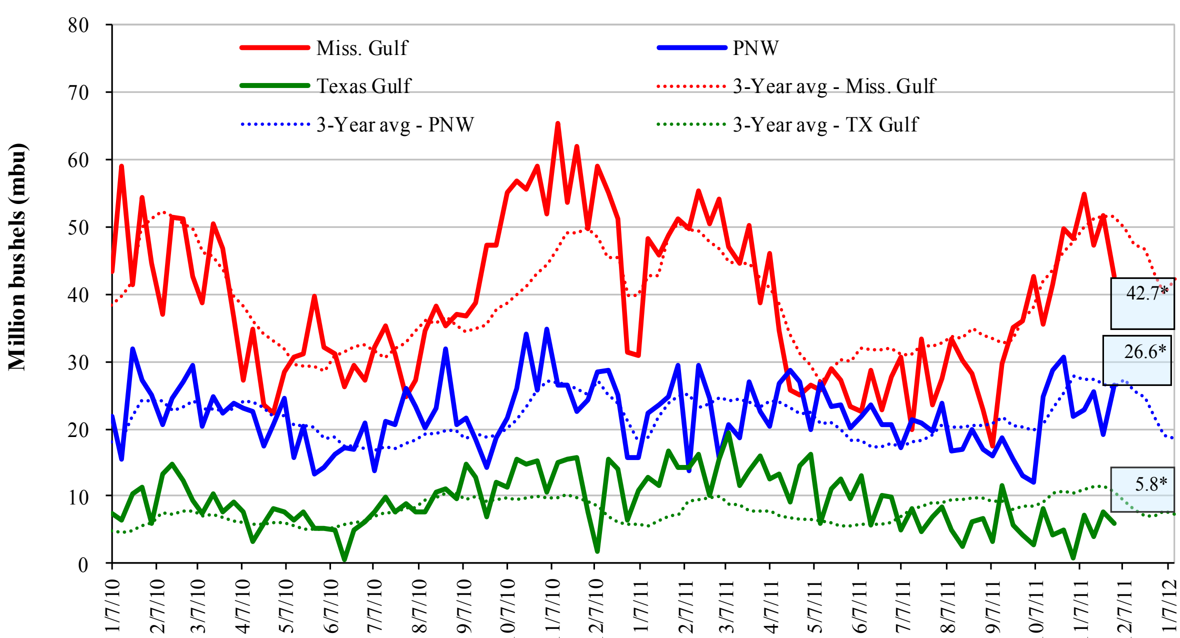


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

December 1 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 17	down 24	down 18	up 39
Last year (same week)	down 14	down 24	down 15	up 9
3-yr avg. (4-wk mov. avg.)	down 17	down 46	down 22	down 2

Ocean Transportation

Table 17

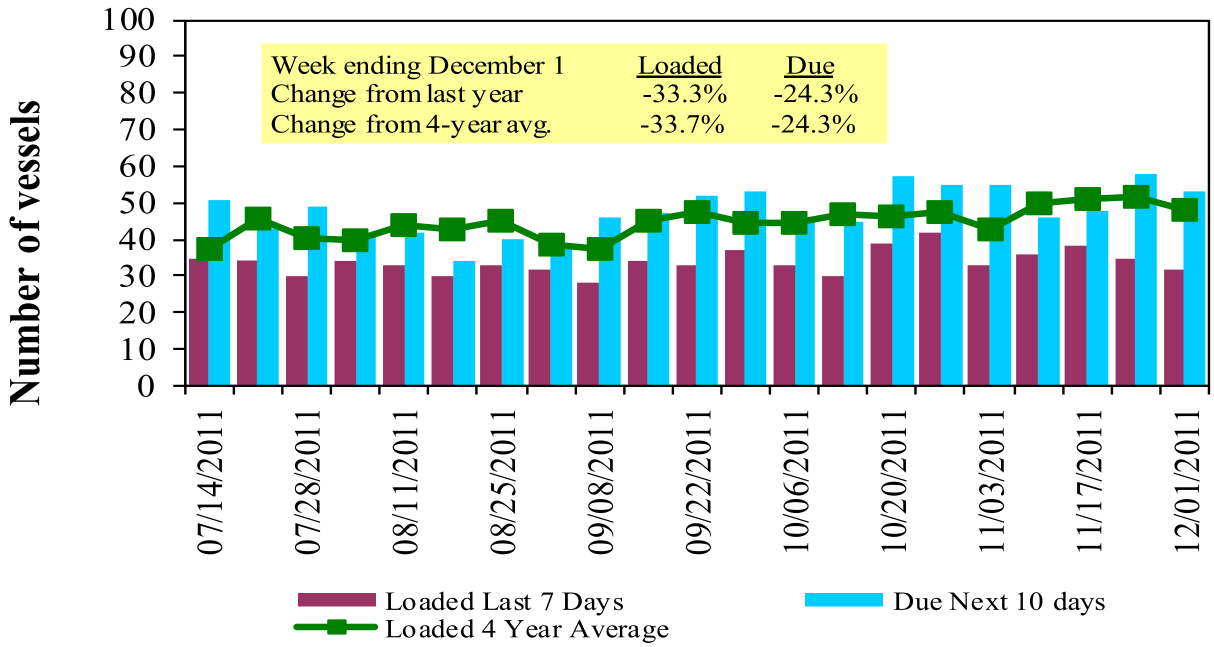
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
12/1/2011	23	32	53	14	11
11/24/2011	21	35	58	12	n/a
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

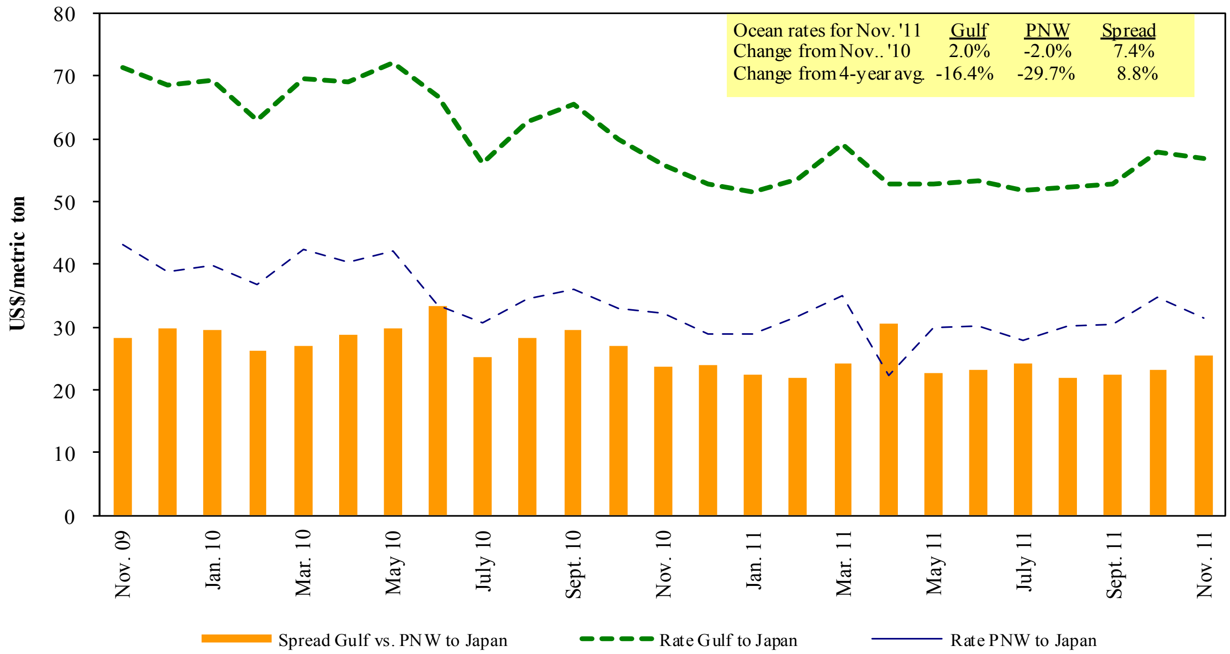
U.S. Gulf[1] Vessel Loading Activity



Source:Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

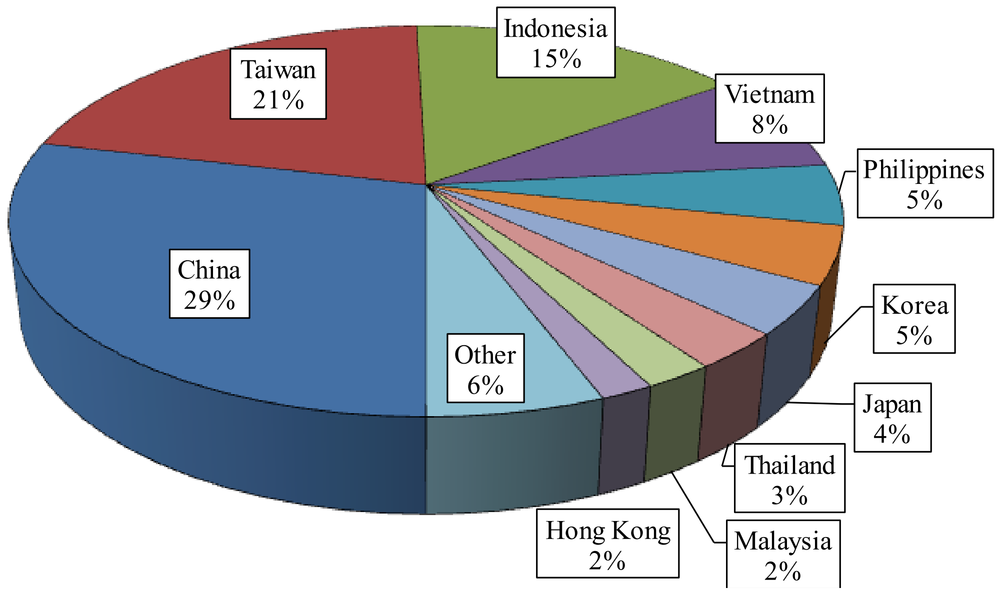
Ocean Freight Rates For Selected Shipments, Week Ending 12/03/2011

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 15/30	55,000	55.50
U.S. Gulf	China	Heavy Grain	Dec 10/20	55,000	56.00
U.S. Gulf	China	Heavy Grain	Dec 1/30	55,000	51.00
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	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	Grain	Jan 10/20	55,000	26.75
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	Wheat	Aug 18/25	25,000	49.00
Russia	Yemen	Grain	Dec 1/3	35,000	42.00
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.

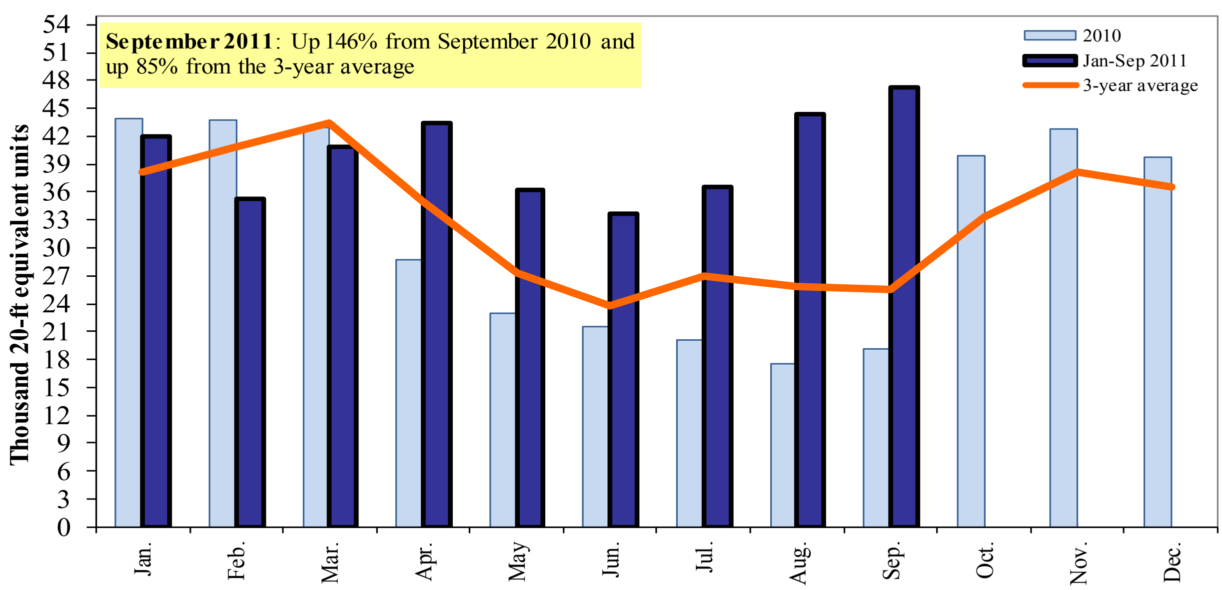
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, September 2011



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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Grain Exports		
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