United States Department of Agriculture

Grain Transportation Report

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

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Dec. 19, 2013

Contents

The next release is Dec. 26, 2013

WEEKLY HIGHLIGHTS

Adverse Navigation Conditions Limit Barge Movements
Although barge movements usually decline after the completion of harvest, weather has further decreased the volume of barge shipments on the Mississippi and Illinois Rivers. Barge movements for the first 2 weeks of December averaged 765 thousand tons per week, lower than the weekly average of 890 thousand tons for the last half of November. Cold weather has caused larger-than-normal ice accumulations on the Illinois River, forcing traffic restrictions and hampering navigation to a greater extent than normal. Further down the river, barge traffic is also being restricted in the St. Louis, MO, area by dredging to alleviate low water conditions.

Total Grain Inspections Down but Soybeans Continued Upward
For the week ending December 12, **total inspections of grain** (corn, wheat, and soybeans) for export from all major port regions reached 2.82 million metric tons (mmt), down 10 percent from the previous week, but 46 percent above last year this time, and 18 percent above the 3-year average. Despite the drop in total grain inspected for export, soybean inspections (1.70 mmt) increased 8 percent from the past week and were 41 percent above the 3-year average. Total soybean shipments increased to Europe and Canada. Wheat (.479 mmt) and corn (.638 mmt) inspections decreased 11 and 38 percent from the previous week as shipments to Asia and Latin America receded. Weekly outstanding (unshipped) sales continued to drop for corn, wheat, and soybeans.

STB Seeks Public Input on Grain Rate Complaint Procedures
The Surface Transportation Board (STB) is seeking public comments on how to ensure its rate complaint procedures are accessible to grain shippers and provide effective protection against unreasonable freight rail transportation rates. This comes as a response to grain shippers' concerns raised during EP 715, Rate Regulation Reforms, which stated that the STB's recent changes to freight rail rate regulations would not provide meaningful relief for them. Comments are due by March 12. Replies are due by May 12.

Snapshots by Sector

Rail
U.S. railroads originated 20,560 **carloads of grain** during the week ending December 7, down 0.3 percent from last week, up 10 percent from last year, and down 4 percent from the 3-year average.

During the week ending December 12, average December non-shuttle **secondary railcar bids/offers per car** were $594 above tariff, up $106.50 from last week and $594 higher than last year. Average shuttle bids/offers were $1,950 per car above tariff, up $387.50 from last week and $1,925 higher than last year.

Barge
Week ending December 14, 533 grain barges **moved down river**, up 9.2 percent from the previous week, 798 grain barges were **unloaded in New Orleans**, down 12.9 percent from the previous week.

During the week ending December 14, **barge grain movements** totaled 759,840 —1 percent lower than the previous week and 41 percent higher than last year.

Ocean
During the week ending December 12, 40 **ocean-going grain vessels** were loaded in the Gulf, 2.6 percent more than the same period last year. Sixty-nine vessels are expected to be loaded within the next 10 days, 68 percent more than the same period last year.

During the week ending December 13, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $59.50 per mt, up 4 percent from the previous week. The cost of shipping from the Pacific Northwest to Japan was $31.50 per mt, up 3 percent from the previous week.

Fuel
During the week ending December 16, the U.S. average **diesel fuel price** decreased 1 cent from the previous week to $3.87 per gallon—7 cents lower than the same week last year.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* December 19, 2013.
Web: http://dx.doi.org/10.9752/TS056.12-19-2013

Feature Article/Calendar

Third Quarter Corn and Soybean Transportation Costs Up; Landed Costs Down

U.S. Gulf Costs: Third quarter 2013 transportation costs for shipping corn and soybeans from Minneapolis, MN, through the U.S. Gulf to Japan increased from the second quarter, driven by higher truck and ocean rates (table 1). The cost for transporting corn and soybeans to the Gulf increased over 6 percent from the second quarter. Truck rates increased 42 percent quarter to quarter because of increased demand, but dropped about 1 percent year to year. Ocean rates increased 4 percent from the second quarter as grain shipments started to increase. Barge rates decreased 3 percent quarter to quarter and 23 percent year to year. The decrease was caused by improved navigation conditions compared to last year, which improved barge efficiency. Lower barge rates also forced year-to-year transportation costs down 10 percent.

Total landed costs for shipping corn and soybeans from Minneapolis, MN, to Japan through the U.S. Gulf decreased during the third quarter 2013. Third-quarter landed costs for shipping corn and soybeans from MN to Japan through the Gulf decreased 5 and 1 percent from the second quarter (table 1). The quarter-to-quarter decrease for corn was caused primarily by lower farm values. Year-to-year landed costs for shipping grain through the Gulf to Japan decreased 10 percent for corn and 8 percent for soybeans, primarily because of lower barge rates and farm values. The farm value of corn dropped 8 percent quarter to quarter ($246/mt), and was 10 percent below last year for this same time period. The farm value of soybeans decreased 3 percent ($522/mt) from quarter to quarter and dropped 7 percent year to year. Transportation costs for shipping corn from the Gulf to Japan accounted for 26 percent of the total landed cost during the third quarter, more than the past quarter and last year. The transportation costs share of the total landed cost for soybeans was 14 percent, above the previous quarter but mostly unchanged from last year (table 1).

Table 1: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. Gulf

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	3rdQtr 12	2ndQtr 13	3rdQtr 13	Yr. to Yr.	Qtr to Qtr	3rdQtr 12	2ndQtr 13	3rdQtr 13	Yr. to Yr.	Qtr to Qtr
Truck	13.51	9.46	13.39	-0.89	41.54	13.51	9.46	13.39	-0.89	41.54
Barge	32.34	25.59	24.87	-23.10	-2.81	32.34	25.59	24.87	-23.10	-2.81
Ocean	49.18	45.78	47.79	-2.83	4.39	49.18	45.78	47.79	-2.83	4.39
Total Transportation Cost	95.03	80.83	86.05	-9.45	6.46	95.03	80.83	86.05	-9.45	6.46
Farm Value [1]	273.87	267.96	245.53	-10.35	-8.37	562.18	535.23	521.76	-7.19	-2.52
Total Landed Cost	368.90	348.79	331.58	-10.12	-4.93	657.21	616.06	607.81	-7.52	-1.34
Transportation % Landed Cost	25.76	23.17	25.95			14.46	13.12	14.16		

Table 2: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. PNW

	Corn					Soybeans				
	$/metric ton			Percent change		$/metric ton			Percent Change	
	3rdQtr 12	2ndQtr 13	3rdQtr 13	Yr. to Yr.	Qtr to Qtr	3rdQtr 12	2ndQtr 13	3rdQtr 13	Yr. to Yr.	Qtr to Qtr
Truck	13.51	9.46	13.39	-0.89	41.54	13.51	9.46	13.39	-0.89	41.54
Rail [2]	53.80	55.08	54.04	0.45	-1.89	56.08	60.35	59.30	5.74	-1.74
Ocean	26.31	24.00	26.63	1.22	10.96	26.31	24.00	26.63	1.22	10.96
Total Transportation Cost	93.62	88.54	94.06	0.47	6.23	95.90	93.81	99.32	3.57	5.87
Farm Value [1]	273.87	267.96	245.53	-10.35	-8.37	562.18	535.23	521.76	-7.19	-2.52
Total Landed Cost	367.49	356.50	339.59	-7.59	-4.74	658.08	629.04	621.08	-5.62	-1.27
Transportation % Landed Cost	25.48	24.84	27.70			14.57	14.91	15.99		

Source: USDA/AMS/TMP
n/a = not available

[1] Source: USDA/NASS, Agricultural Prices
[2] Rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains

Pacific Northwest Costs: Total quarter-to-quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, to Japan via the Pacific Northwest (PNW) increased 6 percent (see table 2). Year-to-year transportation costs were unchanged for corn but up 4 percent for soybeans, primarily because of higher rail rates. Quarter-to-quarter PNW rail rates dropped 2 percent for corn and soybeans, but year-to-year rail rates for shipping corn through the PNW were unchanged for corn and up 6 percent for soybeans.

Quarter-to-quarter total landed costs for shipping corn and soybeans through the PNW decreased as farm values dropped. PNW landed costs decreased 5 percent for corn and 1 percent for soybeans quarter to quarter (see table 2). Year-to-year PNW landed costs decreased 8 percent for corn and 6 percent for soybeans because of lower farm values. Transportation costs for corn shipped through the PNW to Japan accounted for about 28 percent of the total landed costs during the third quarter, greater than the previous quarter and last year. Third quarter transportation costs for soybeans shipped through the PNW to Japan accounted for 16 percent of the total landed cost, also greater than the previous quarter and last year. The farm value of soybeans accounted for 84 percent of the total landed cost for shipping to Japan from the PNW. The farm value of corn accounted for 72 percent of the landed cost during the third quarter.

Outlook: USDA's World Agricultural Supply and Demand Estimates (WASDE) report for December indicates projected corn exports for the 2013/14 marketing year are up 4 percent from the previous month's estimate. The estimate was revised upward because projected yield per acre and production are expected to be significantly higher. The December WASDE's 2013/14 soybean exports projection is 2 percent above the November estimate and 12 percent above last year. *Johnny.Hill@ams.usda.gov*

Grain Transportation Indicators

Table 1
Grain Transport Cost Indicators[1]

Week ending	Truck	Rail: Unit Train	Rail: Shuttle	Barge	Ocean: Gulf	Ocean: Pacific
12/18/13	260	272	297	321	266	223
12/11/13	260	266	281	299	255	216

[1]Indicator: 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)

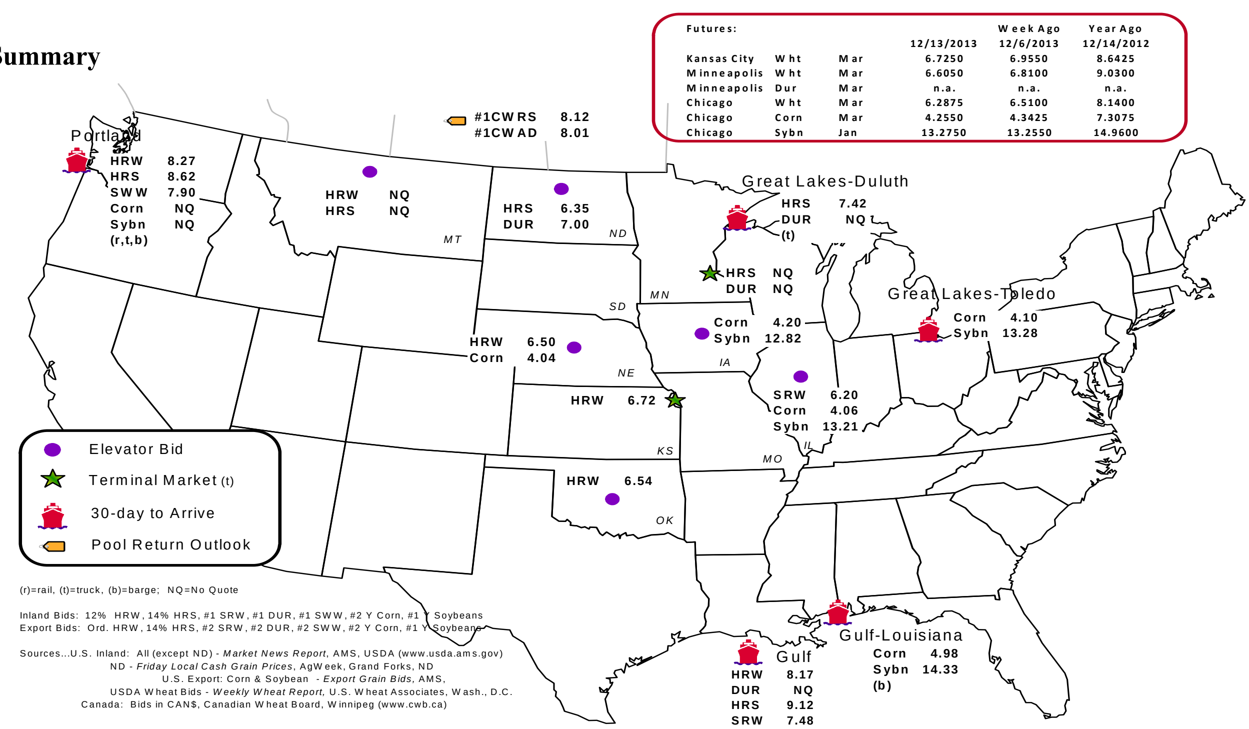
Commodity	Origin--Destination	12/13/2013	12/6/2013
Corn	IL--Gulf	-0.92	-0.89
Corn	NE--Gulf	-0.94	-0.93
Soybean	IA--Gulf	-1.50	-1.45
HRW	KS--Gulf	-1.45	-1.65
HRS	ND--Portland	-2.27	-2.14

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	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
12/11/2013[p]	1,448	1,065	4,592	1,418	8,277	12/07/13	1,339
12/04/2013[r]	1,448	1,065	5,179	1,328	9,020	11/30/13	1,884
2013 YTD[r]	28,952	68,853	158,173	23,557	279,535	2013 YTD	66,723
2012 YTD[r]	19,754	39,393	191,648	23,113	273,908	2012 YTD	89,857
2013 YTD as % of 2012 YTD	147	175	83	102	102	% change YTD	74
Last 4 weeks as % of 2012[2]	157	144	157	127	151	Last 4wks % 2012	138
Last 4 weeks as % of 4-year avg.[2]	182	74	145	140	136	Last 4wks % 4 yr	116
Total 2012	22,604	40,780	199,419	48,216	287,462	Total 2012	92,008
Total 2011	27,358	77,515	191,187	24,088	320,148	Total 2011	97,118

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2012 and prior 4-year average.

[3] Cross-border weekly data is aproximately 15 percent below the Association of American Railroads reported weekly carloads received by Mexican railroads to reflect switching between KCSM and FerroMex.

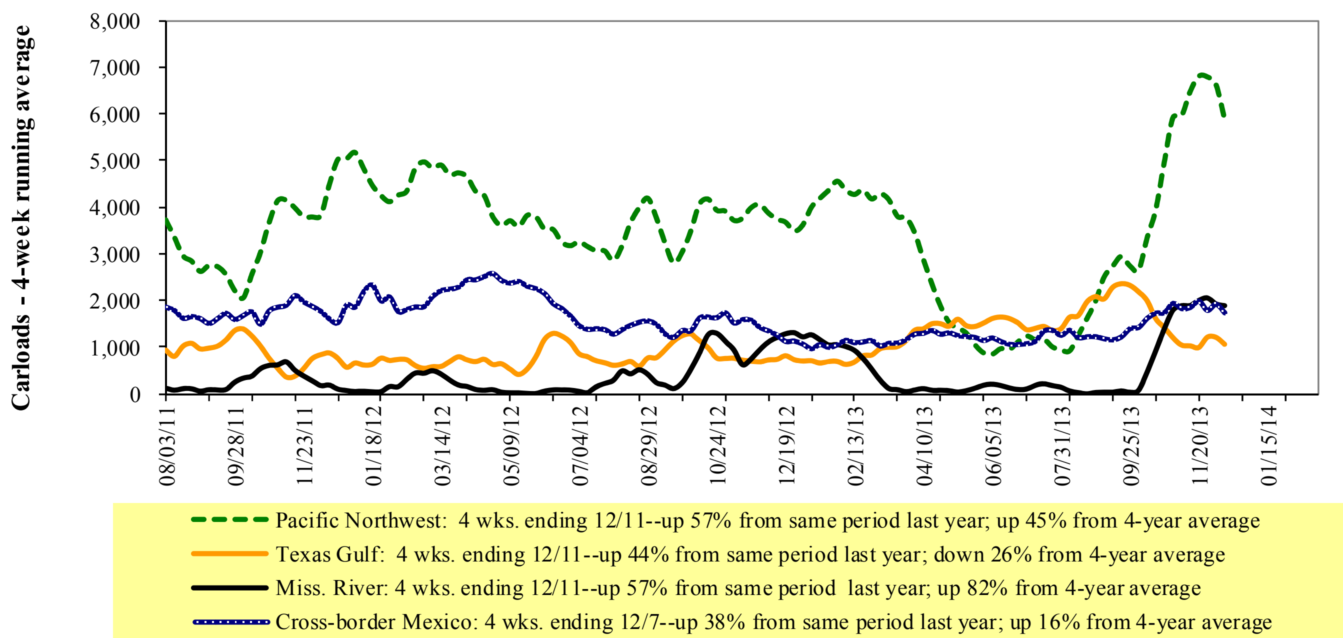
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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)

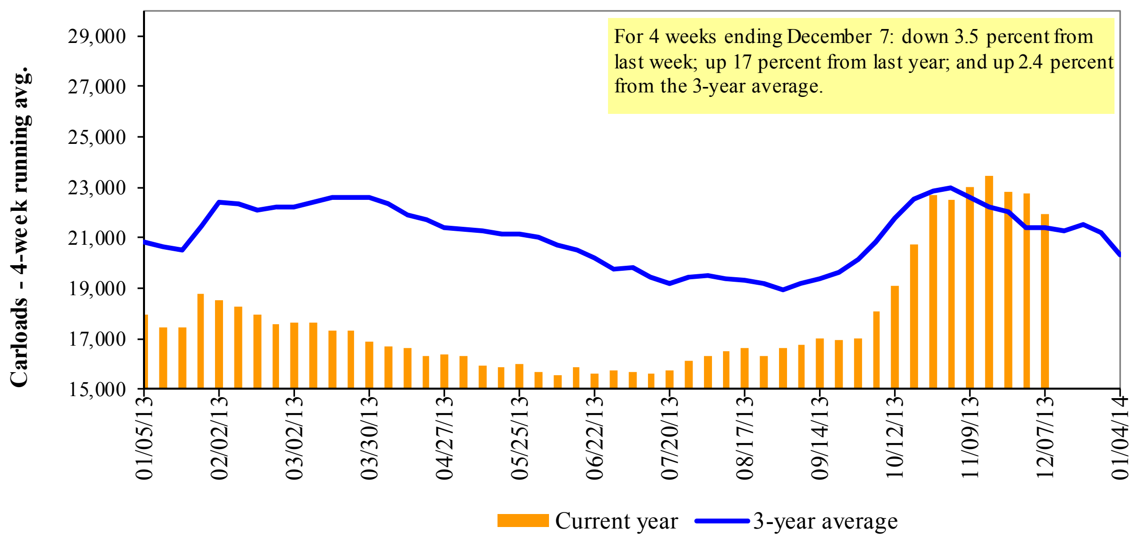
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
12/07/13	2,679	3,640	8,068	1,028	5,145	20,560	4,841	5,327
This week last year	1,751	2,988	9,488	571	3,862	18,660	4,127	6,688
2013 YTD	80,051	128,579	429,162	31,645	205,978	875,415	178,832	258,981
2012 YTD	81,107	137,533	486,654	25,642	232,673	963,609	192,331	249,033
2013 YTD as % of 2012 YTD	99	93	88	123	89	91	93	104
Last 4 weeks as % of 2012	154	125	91	132	159	117	120	92
Last 4 weeks as % of 3-yr avg.[1]	125	119	85	139	121	103	121	100
Total 2012	85,384	145,336	515,638	26,936	244,077	1,017,371	204,068	266,266

[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**							
12/12/2013	**Dec-13**	**Dec-12**	**Jan-14**	**Jan-13**	**Feb-14**	**Feb-13**	**Mar-14**	**Mar-13**
BNSF[3]								
COT grain units	no offer	1	no offer	0	no offer	no bids	no offer	no bids
COT grain single-car[5]	no offer	6	no offer	0 . . 3	no offer	0	1 . . 300	0
UP[4]								
GCAS/Region 1	no bids	no bids	61	no bids	no bids	no bids	n/a	n/a
GCAS/Region 2	no bids	no bids	105	no bids	1	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.

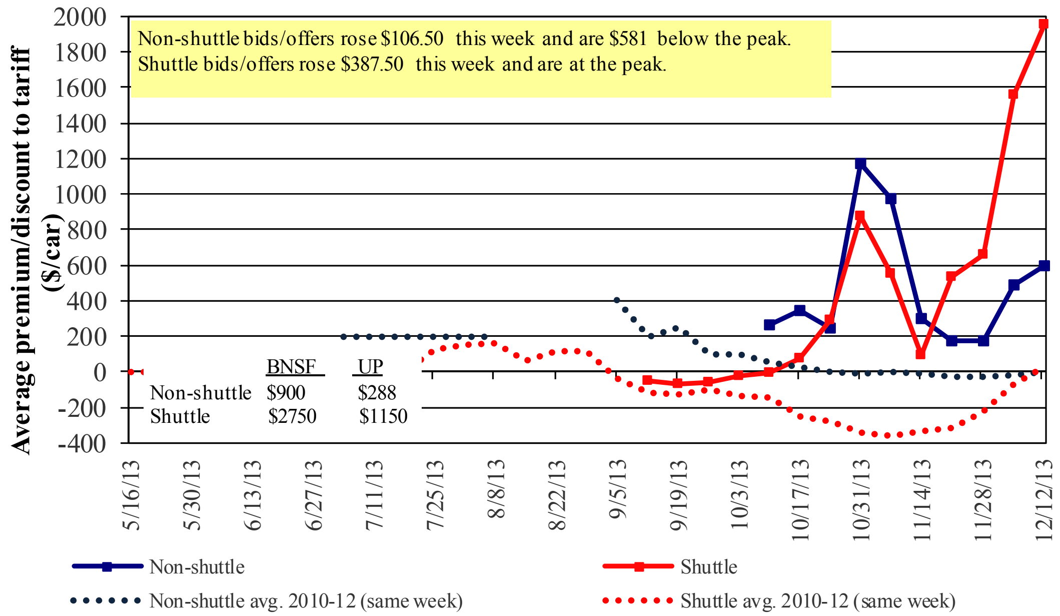
[5]Range is shown because average is not available. Not available = n/a.

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 2013, Secondary Market

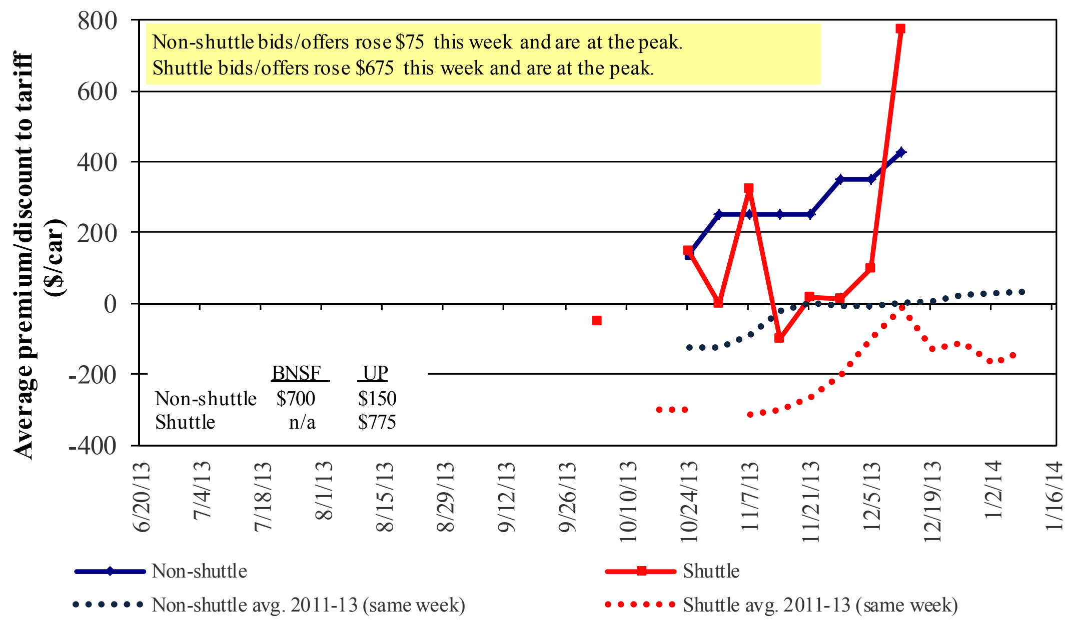


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in January 2014, Secondary Market

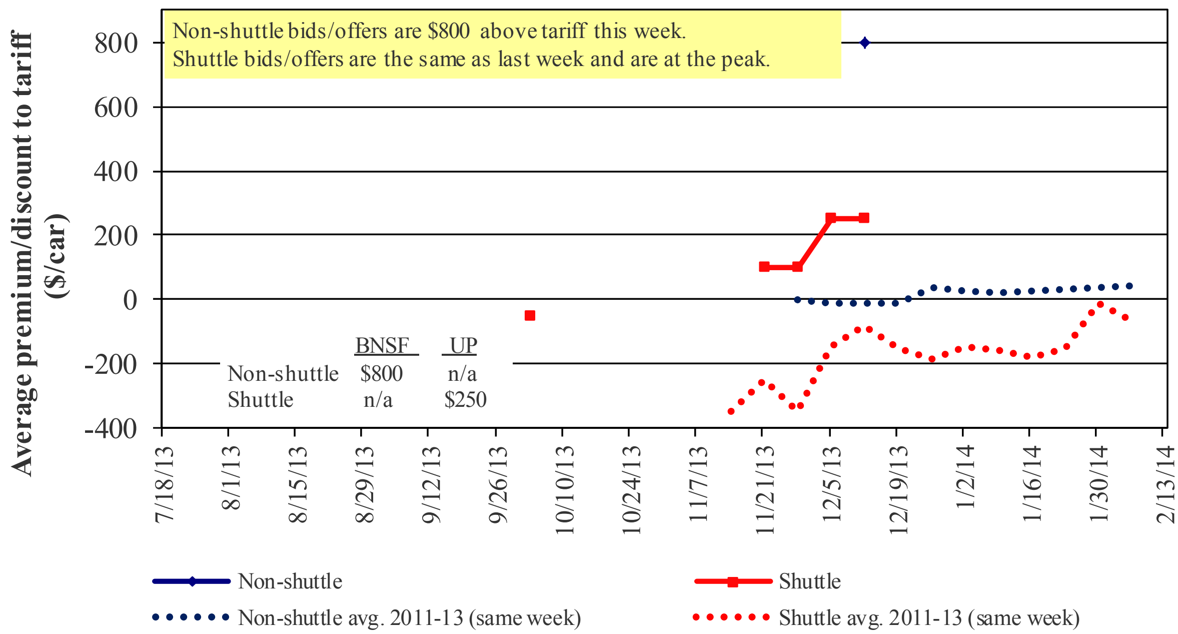


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 2014, 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					
12/12/2013	**Dec-13**	**Jan-14**	**Feb-14**	**Mar-14**	**Apr-14**	**May-14**
Non-shuttle						
BNSF-GF	900	700	800	n/a	n/a	n/a
Change from last week	-	350	n/a	n/a	n/a	n/a
Change from same week 2012	n/a	687	n/a	n/a	n/a	n/a
UP-Pool	288	150	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 2012	288	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	2,750	n/a	n/a	n/a	n/a	n/a
Change from last week	(75)	n/a	n/a	n/a	n/a	n/a
Change from same week 2012	2,775	n/a	n/a	n/a	n/a	n/a
UP-Pool	1,150	775	250	300	(125)	(150)
Change from last week	850	675	-	150	(25)	(50)
Change from same week 2012	1,075	694	250	325	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 James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 12/1/2013	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	$3,191	$182	$33.50	$0.91	1
	Grand Forks, ND	Duluth-Superior, MN	$3,596	$104	$36.75	$1.00	4
	Wichita, KS	Los Angeles, CA	$6,244	$536	$67.32	$1.83	2
	Wichita, KS	New Orleans, LA	$3,808	$320	$41.00	$1.12	3
	Sioux Falls, SD	Galveston-Houston, TX	$5,824	$440	$62.20	$1.69	3
	Northwest KS	Galveston-Houston, TX	$4,076	$351	$43.96	$1.20	3
	Amarillo, TX	Los Angeles, CA	$4,275	$489	$47.30	$1.29	2
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,192	$362	$35.29	$0.90	1
	Toledo, OH	Raleigh, NC	$4,686	$416	$50.66	$1.29	3
	Des Moines, IA	Davenport, IA	$2,078	$77	$21.40	$0.54	3
	Indianapolis, IN	Atlanta, GA	$4,061	$312	$43.43	$1.10	3
	Indianapolis, IN	Knoxville, TN	$3,469	$200	$36.44	$0.93	3
	Des Moines, IA	Little Rock, AR	$3,218	$225	$34.19	$0.87	1
	Des Moines, IA	Los Angeles, CA	$5,215	$656	$58.30	$1.48	1
Soybeans	Minneapolis, MN	New Orleans, LA	$3,599	$395	$39.66	$1.08	1
	Toledo, OH	Huntsville, AL	$3,687	$295	$39.55	$1.08	2
	Indianapolis, IN	Raleigh, NC	$4,756	$419	$51.39	$1.40	3
	Indianapolis, IN	Huntsville, AL	$3,379	$200	$35.54	$0.97	3
	Champaign-Urbana, IL	New Orleans, LA	$3,748	$362	$40.82	$1.11	3
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,678	$308	$39.58	$1.08	4
	Wichita, KS	Galveston-Houston, TX	$3,798	$240	$40.10	$1.09	3
	Chicago, IL	Albany, NY	$3,950	$390	$43.10	$1.17	3
	Grand Forks, ND	Portland, OR	$5,159	$532	$56.51	$1.54	2
	Grand Forks, ND	Galveston-Houston, TX	$6,084	$554	$65.92	$1.79	0
	Northwest KS	Portland, OR	$5,043	$576	$55.80	$1.52	3
Corn	Minneapolis, MN	Portland, OR	$5,000	$648	$56.09	$1.42	2
	Sioux Falls, SD	Tacoma, WA	$4,960	$593	$55.15	$1.40	2
	Champaign-Urbana, IL	New Orleans, LA	$3,011	$362	$33.50	$0.85	3
	Lincoln, NE	Galveston-Houston, TX	$3,510	$346	$38.29	$0.97	4
	Des Moines, IA	Amarillo, TX	$3,590	$283	$38.46	$0.98	3
	Minneapolis, MN	Tacoma, WA	$5,000	$643	$56.03	$1.42	2
	Council Bluffs, IA	Stockton, CA	$4,400	$665	$50.29	$1.28	2
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,520	$593	$60.71	$1.65	2
	Minneapolis, MN	Portland, OR	$5,530	$648	$61.35	$1.67	2
	Fargo, ND	Tacoma, WA	$5,430	$527	$59.16	$1.61	2
	Council Bluffs, IA	New Orleans, LA	$4,175	$418	$45.61	$1.24	6
	Toledo, OH	Huntsville, AL	$2,862	$295	$31.35	$0.85	3
	Grand Island, NE	Portland, OR	$5,110	$589	$56.60	$1.54	-3

[1]A 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.

[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: 12/1/2013				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	$6,360	$563	$70.73	$1.92	-17
	OK	Cuautitlan, EM	$6,156	$684	$69.88	$1.90	-10
	KS	Guadalajara, JA	$6,559	$660	$73.77	$2.01	-12
	TX	Salinas Victoria, NL	$2,898	$258	$32.24	$0.88	-18
Corn	IA	Guadalajara, JA	$7,974	$777	$89.41	$2.27	2
	SD	Celaya, GJ	$7,656	$736	$85.75	$2.18	2
	NE	Queretaro, QA	$7,317	$690	$81.81	$2.08	1
	SD	Salinas Victoria, NL	$5,880	$560	$65.80	$1.67	2
	MO	Tlalnepantla, EM	$6,755	$670	$75.87	$1.93	1
	SD	Torreon, CU	$6,722	$617	$74.98	$1.90	2
Soybeans	MO	Bojay (Tula), HG	$7,868	$655	$87.08	$2.37	2
	NE	Guadalajara, JA	$8,447	$749	$93.96	$2.55	2
	IA	El Castillo, JA	$8,855	$732	$97.95	$2.66	2
	KS	Torreon, CU	$6,864	$465	$74.88	$2.04	2
Sorghum	TX	Guadalajara, JA	$6,764	$479	$74.01	$1.88	1
	NE	Celaya, GJ	$7,272	$669	$81.13	$2.06	3
	KS	Queretaro, QA	$7,005	$420	$75.86	$1.93	7
	NE	Salinas Victoria, NL	$5,628	$492	$62.52	$1.59	7
	NE	Torreon, CU	$6,328	$549	$70.26	$1.78	3

[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

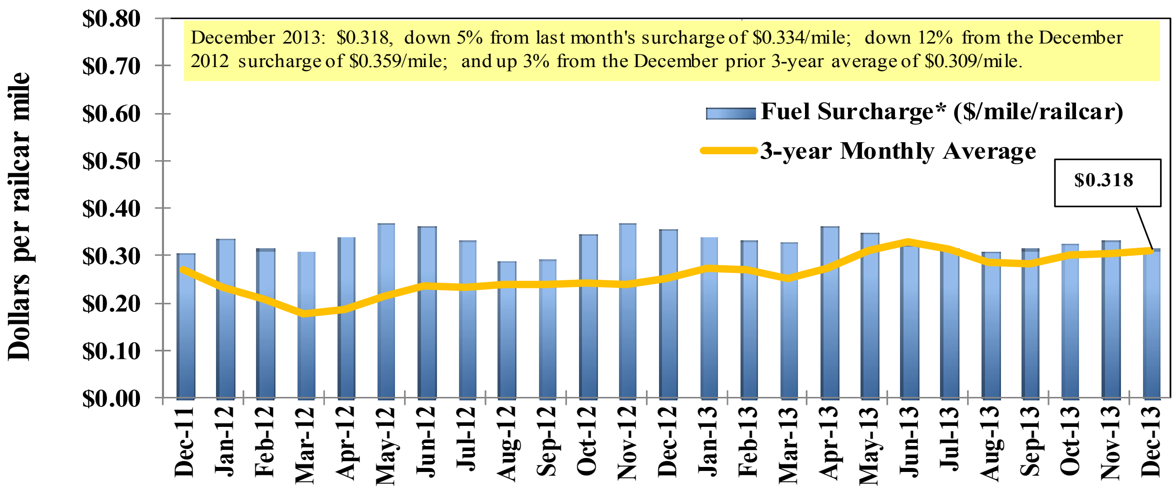
[3]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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

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.

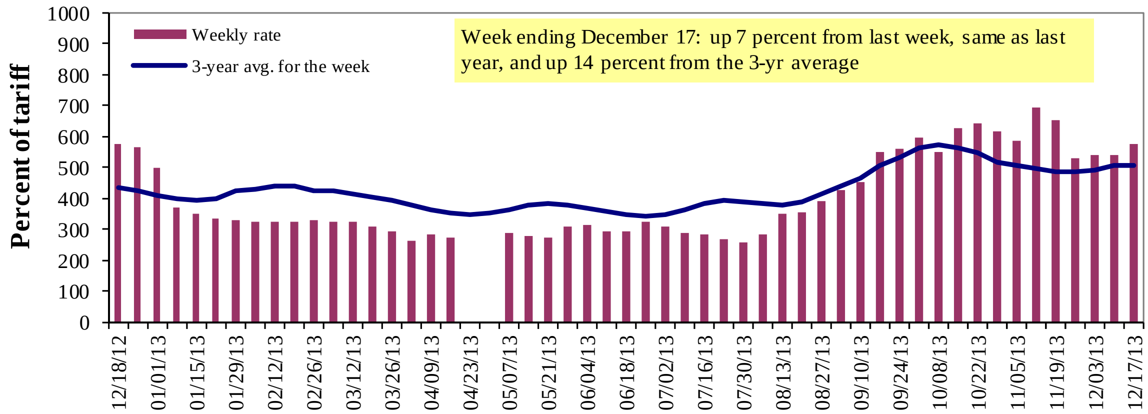
** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

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]	12/17/2013	--	--	577	475	430	430	298
	12/10/2013	--	--	538	430	510	510	315
$/ton	12/17/2013	--	--	26.77	18.95	20.17	17.37	9.36
	12/10/2013	--	--	24.96	17.16	23.92	20.60	9.89
Current week % change from the same week:								
	Last year	--	--	0	-5	-3	-3	-15
	3-year avg. [2]	--	--	14	18	-3	-3	-13
Rate[1]	January	--	--	517	408	417	417	293
	March	--	418	400	353	380	380	280

[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

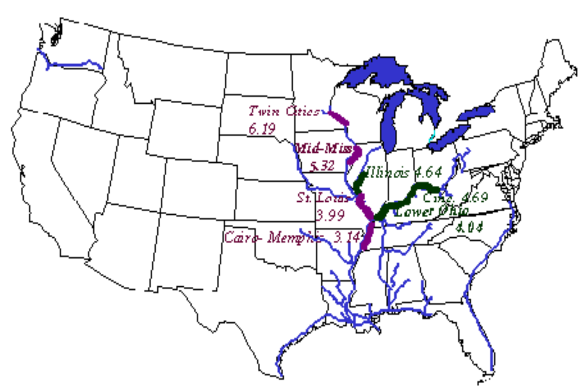
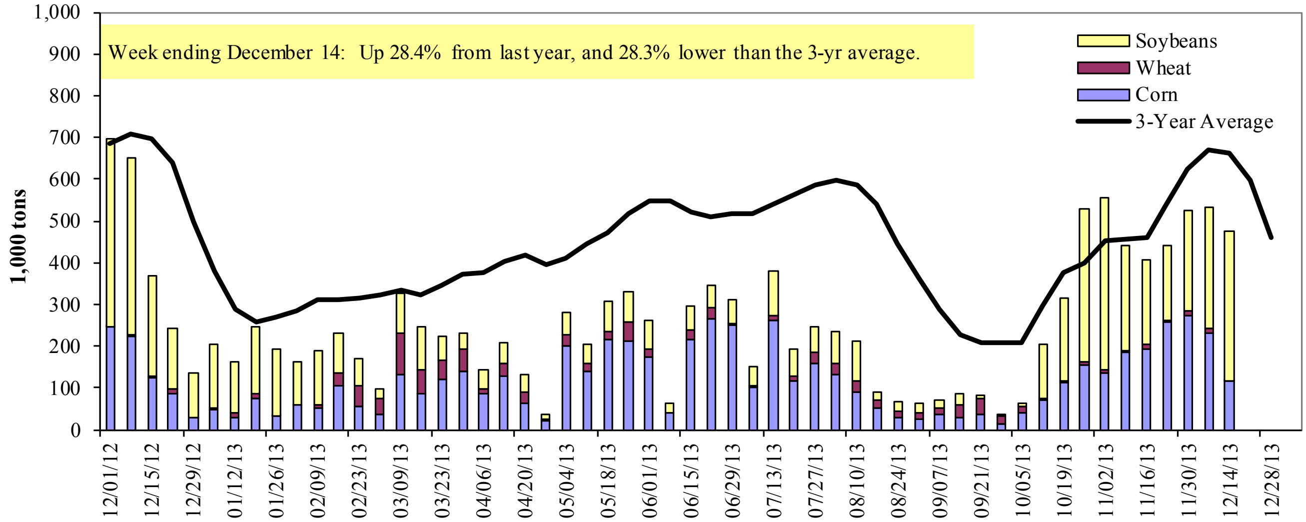


Figure 10

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

Table 10

Barge Grain Movements (1,000 tons)

Week ending 12/14/2013	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	2	0	2
Winfield, MO (L25)	38	0	265	0	302
Alton, IL (L26)	134	2	387	0	522
Granite City, IL (L27)	115	2	358	0	474
Illinois River (L8)	76	2	83	0	161
Ohio River (L52)	111	12	108	0	231
Arkansas River (L1)	0	6	48	1	55
Weekly total - 2013	225	19	514	1	760
Weekly total - 2012	164	16	358	2	540
2013 YTD[1]	8,989	4,064	9,310	228	22,592
2012 YTD	14,646	1,752	12,129	229	28,757
2013 as % of 2012 YTD	61	232	77	100	79
Last 4 weeks as % of 2012[2]	127	115	99	301	110
Total 2012	14,837	1,794	12,663	229	29,523

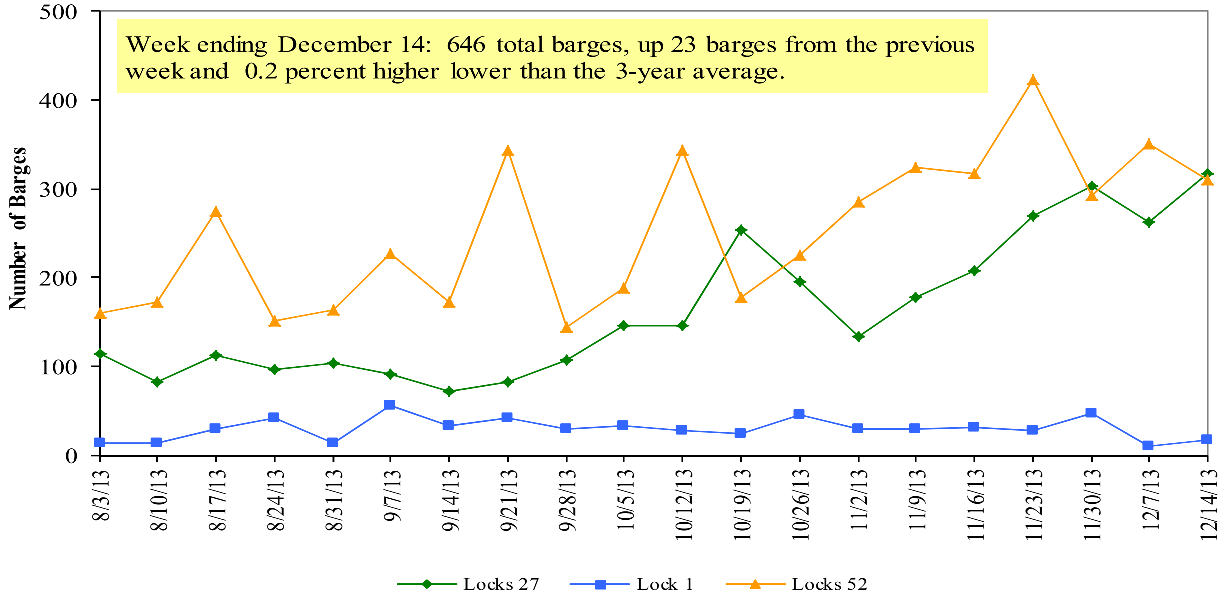
[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

[2] As a percent of same period in 2012.

Note: Total may not add exactly, due to rounding
Source: U.S. Army Corps of Engineers

Figure 11

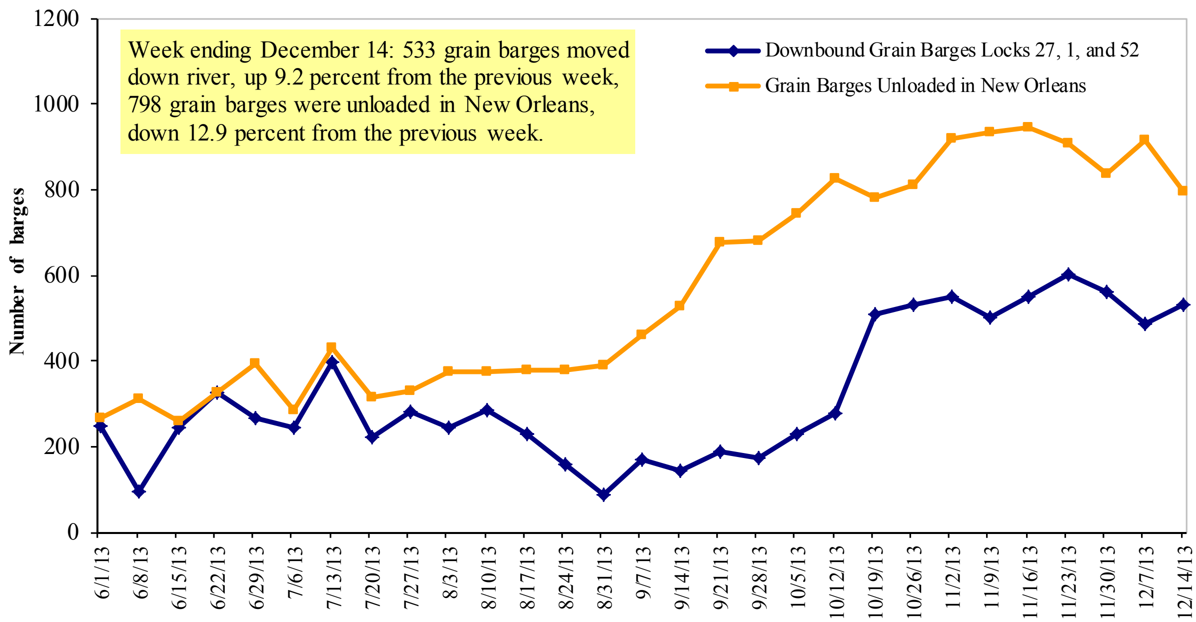
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices[1], Week Ending 12/16/2013 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.915	0.003	-0.112
	New England	4.064	-0.002	-0.091
	Central Atlantic	3.977	0.005	-0.157
	Lower Atlantic	3.840	0.003	-0.083
II	Midwest[2]	3.852	-0.018	-0.066
III	Gulf Coast[3]	3.766	-0.007	-0.081
IV	Rocky Mountain	3.852	0.001	-0.014
V	West Coast	3.982	-0.011	-0.015
	West Coast less California	3.884	-0.022	-0.049
	California	4.066	0.000	0.015
Total	U.S.	3.871	-0.008	-0.074

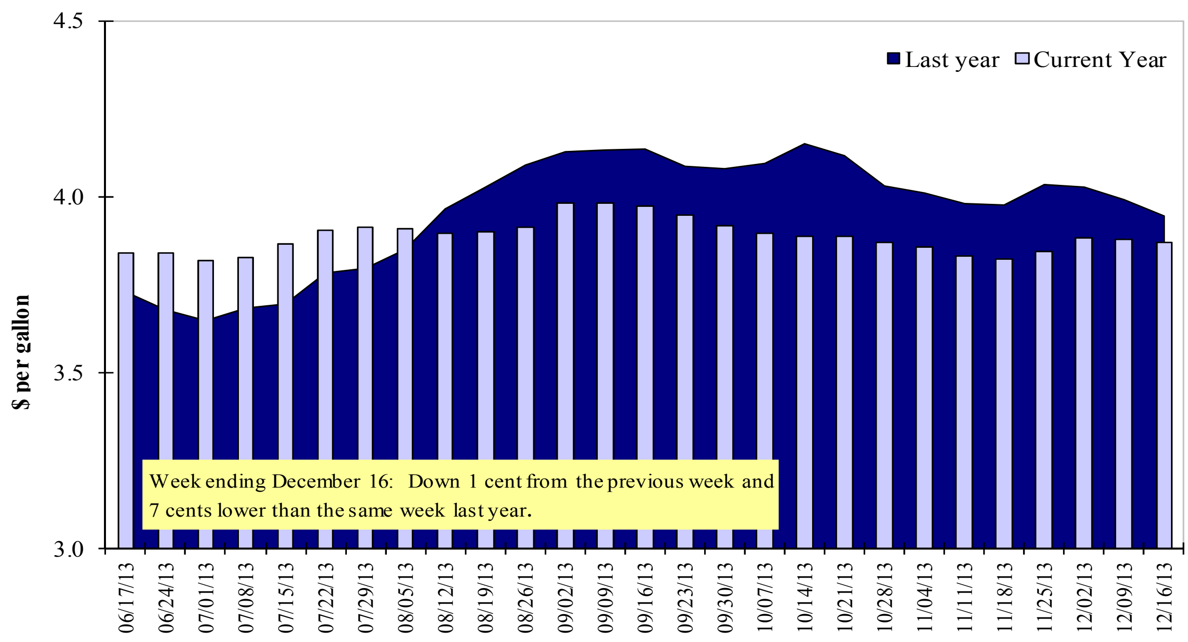
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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]									
12/5/2013	1,427	1,059	1,582	951	78	5,097	17,617	19,703	42,417
This week year ago	1,417	705	1,252	1,213	74	4,661	6,830	12,164	23,655
Cumulative exports-marketing year[2]									
2013/14 YTD	7,086	5,427	2,980	2,154	234	17,881	9,079	18,998	45,958
2012/13 YTD	4,970	1,713	3,063	2,323	286	12,355	5,658	17,559	35,572
YTD 2013/14 as % of 2012/13	143	317	97	93	82	145	160	108	129
Last 4 wks as % of same period 2012/13	106	160	125	80	108	113	263	171	186
2012/13 Total	10,019	5,039	5,825	4,619	591	26,093	17,980	36,220	80,293
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254

[1] Current unshipped export sales to date

[2] Shipped export sales to date; new marketing year in 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 12/05/2013	**Total Commitments[2] 2013/14 Current MY**	**2012/13 Last MY**	**% change current MY from last MY**	**Exports[3] 2012/13**
	- 1,000 mt -			- 1,000 mt -
Japan	4,407	3,978	11	7,000
Mexico	7,336	2,837	159	4,370
China	5,774	1,187	386	2,450
Venezuela	305	247	23	1,158
Taiwan	401	260	54	512
Top 5 Importers	**18,223**	**8,510**	**114**	**15,490**
Total US corn export sales	**26,696**	**12,488**	**114**	**18,670**
% of Projected	72%	67%		
Change from prior week	696	259		
Top 5 importers' share of U.S. corn export sales	68%	68%		83%
USDA forecast, December 2013	**36,896**	**18,601**	**98**	
Corn Use for Ethanol USDA forecast, December 2013	**125,730**	**118,059**	**6**	

(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 Importers[1] of U.S. Soybeans

Week Ending 12/05/2013	Total Commitments[2] 2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
	- 1,000 mt -			- 1,000 mt -
China	24,525	18,491	33	21,522
Mexico	1,626	1,271	28	2,565
Japan	960	958	0	1,751
Indonesia	902	506	78	1,682
Taiwan	869	711	22	1,120
Top 5 importers	**28,880**	**21,937**	**32**	**28,641**
Total US soybean export sales	**38,701**	**29,724**	**30**	**37,060**
% of Projected	96%	83%		
Change from prior week	1,109	1,319		
Top 5 importers' share of U.S. soybean export sales	75%	74%		
USDA forecast, December 2013	**40,191**	**35,967**	**12**	

(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. (Carryover plus Accumulated Exports)

Table 15

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

Week Ending 12/05/2013	Total Commitments[2] 2013/14 Current MY	2012/13 Last MY	% change current MY from last MY	Exports[3] 2012/13
	- 1,000 mt -			- 1,000 mt -
Japan	1,709	2,411	(29)	3,544
Nigeria	1,949	1,896	3	3,002
Mexico	2,193	2,249	(2)	2,761
Philippines	1,322	1,437	(8)	1,965
Egypt	150	168	(11)	1,678
Korea	946	1,165	(19)	1,385
Taiwan	656	727	(10)	1,038
China	4,084	465	779	743
Brazil	3,281	63	5107	527
Colombia	463	425	9	600
Top 10 importers	**16,753**	**11,006**	**52**	**17,243**
Total US wheat export sales	**22,978**	**17,016**	**35**	**26,348**
% of Projected	77%	62%		
Change from prior week	372	519		
Top 10 importers' share of U.S. wheat export sales	73%	65%		65%
USDA forecast, December 2013	**29,973**	**27,439**	**9**	

(n) indicates negative number.

[1] Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report, or Export Sales Query--http://www.fas.usda.gov/esrquery/

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

Table 16

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

Port regions	Week ending 12/12/13	Previous Week[1]	Current Week as % of Previous	2013 YTD[1]	2012 YTD[1]	2013 YTD as % of 2012 YTD	Last 4-weeks as % of 2012	Last 4-weeks as % of 3-yr. avg.	Total[1] 2012
Pacific Northwest									
Wheat	182	194	94	11,055	12,411	89	81	76	12,625
Corn	247	257	96	2,630	5,345	49	641	185	5,512
Soybeans	230	324	71	8,608	9,891	87	145	127	10,347
Total	**659**	**775**	**85**	**22,292**	**27,648**	**81**	**162**	**123**	**28,484**
Mississippi Gulf									
Wheat	111	110	101	9,640	5,292	182	177	139	5,462
Corn	267	576	46	13,905	17,743	78	173	94	18,068
Soybeans	1,154	939	123	19,672	23,310	84	121	136	24,684
Total	**1,532**	**1,626**	**94**	**43,218**	**46,346**	**93**	**134**	**122**	**48,215**
Texas Gulf									
Wheat	108	164	66	8,802	5,734	154	157	104	5,912
Corn	0	61	0	224	336	67	29,913	86	336
Soybeans	60	61	98	908	574	158	170	111	626
Total	**167**	**285**	**59**	**9,934**	**6,643**	**150**	**174**	**104**	**6,874**
Interior									
Wheat	12	18	66	1,014	1,191	85	108	70	1,218
Corn	119	130	92	3,691	6,050	61	122	133	6,115
Soybeans	76	92	83	3,085	4,075	76	255	105	4,204
Total	**207**	**239**	**87**	**7,790**	**11,316**	**69**	**64**	**116**	**11,538**
Great Lakes									
Wheat	66	52	129	863	444	195	n/a	101	481
Corn	0	0	n/a	0	56	0	n/a	0	56
Soybeans	54	41	131	651	614	106	396	211	713
Total	**120**	**93**	**130**	**1,514**	**1,114**	**136**	**634**	**145**	**1,250**
Atlantic									
Wheat	0	0	n/a	645	341	189	n/a	0	341
Corn	6	0	n/a	234	143	163	195	55	143
Soybeans	129	117	111	1,464	1,354	108	107	155	1,460
Total	**135**	**117**	**116**	**2,343**	**1,838**	**128**	**108**	**141**	**1,944**
U.S. total from ports[2]									
Wheat	479	538	89	32,019	25,413	126	122	95	26,040
Corn	638	1,024	62	20,684	29,673	70	255	117	30,230
Soybeans	1,704	1,573	108	34,389	39,819	86	128	134	42,035
Total	**2,821**	**3,134**	**90**	**87,093**	**94,904**	**92**	**148**	**121**	**98,305**

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

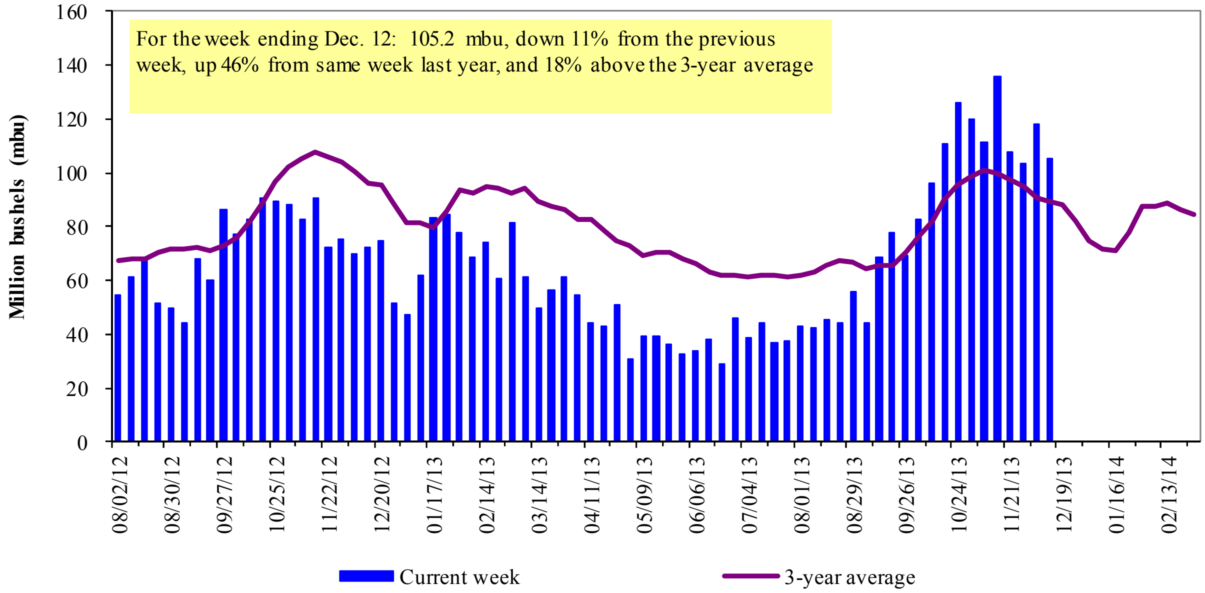
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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 56 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2012.

Figure 14

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

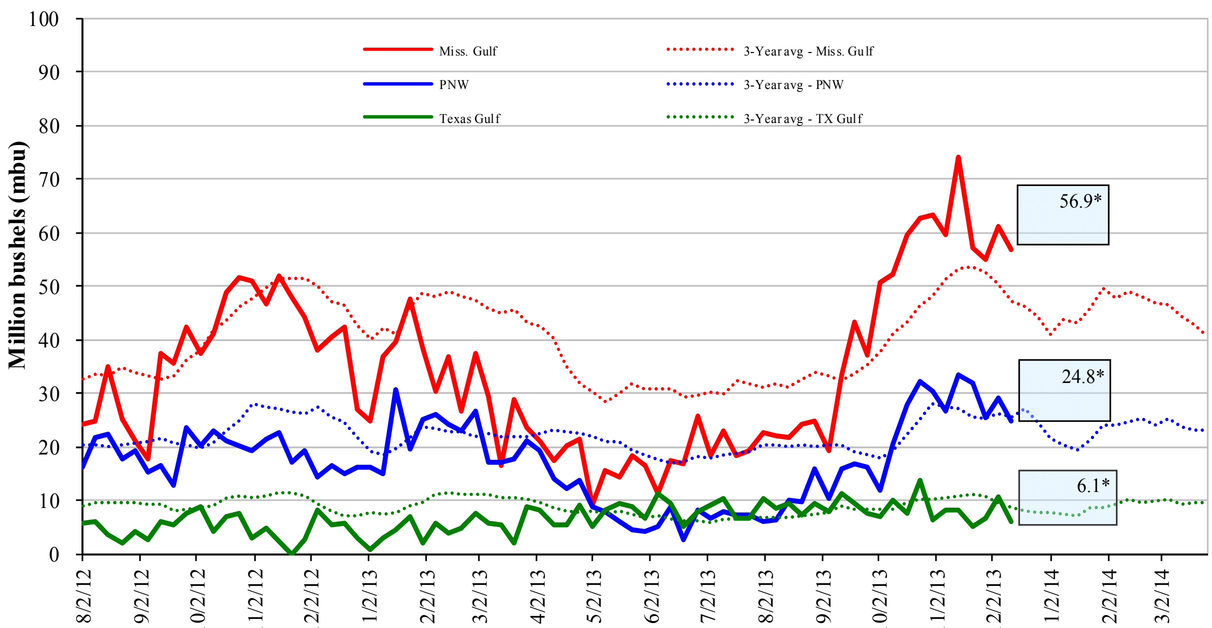


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

Dec. 12: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 7	down 42	down 12	down 15
Last year (same week)	up 40	up 12	up 37	up 51
3-yr avg. (4-wk mov. avg.)	up 20	down 11	up 16	up 2

Ocean Transportation

Table 17

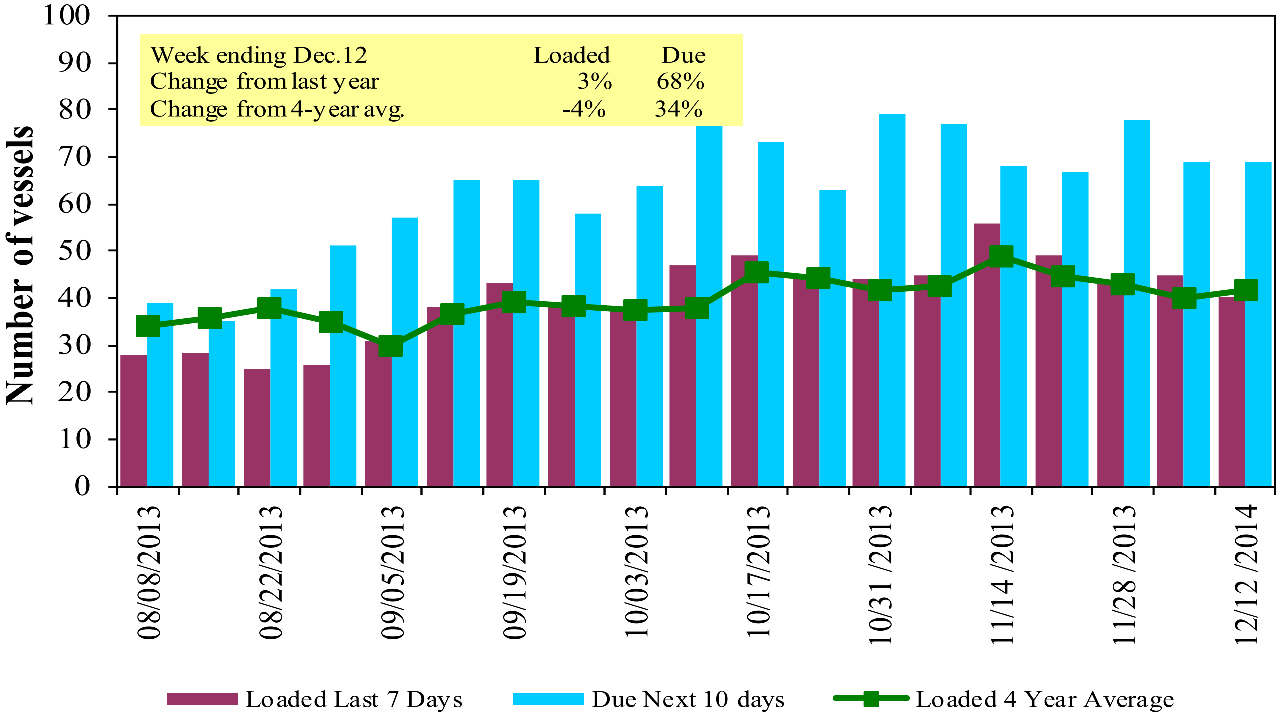
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
12/12/2013	60	40	69	23	n/a
12/5/2013	53	45	69	21	n/a
2012 range	(13..50)	(13..46)	(27..78)	(4..20)	n/a
2012 avg.	28	33	46	11	n/a

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf[1] Vessel Loading Activity

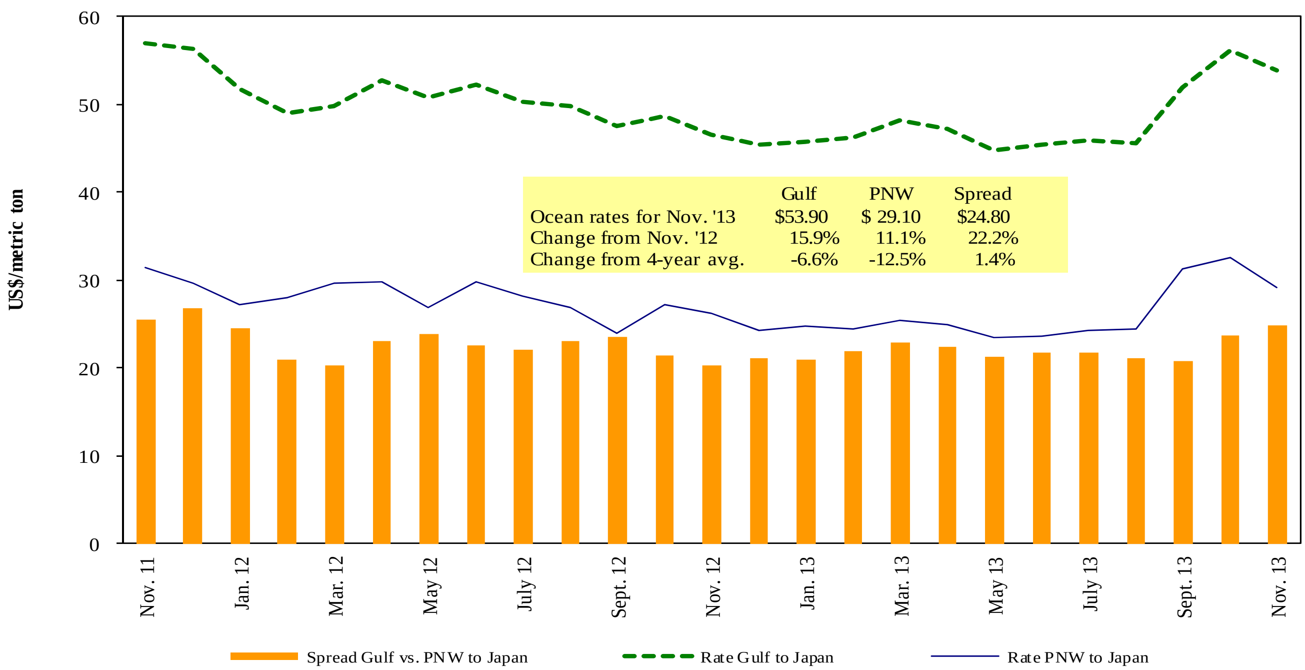


Source:Transportation & Marketing Programs/AMS/USDA

[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 12/14/2013

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Jan 15/30	55,000	47.50
U.S. Gulf	China	Heavy Grain	31-Jan	58,000	56.50
U.S. Gulf	China	Heavy Grain	Dec 15/25	60,000	54.00
U.S. Gulf	China	Heavy Grain	Dec 10/20	55,000	49.00
U.S. Gulf	China	Heavy Grain	Dec 1/10	60,000	51.00
U.S. Gulf	China	Heavy Grain	Dec 1/5	55,000	45.00
U.S. Gulf	China	Heavy Grain	Nov 20/30	60,000	52.00
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	53.25
U.S. Gulf	China	Heavy Grain	Nov-Dec	55,000	49.50
U.S. Gulf	Djibouti[1]	Wheat	Dec 16/26	35,880	125.62
U.S. Gulf	S. Korea	Heavy Grain	Dec 5/20	58,000	54.00
U.S. Gulf	S. Korea	Heavy Grain	Nov 19/20	60,000	53.50
Atlantic	China	Heavy Grain	Nov 20/25	55,000	50.25
Brazil	Morocco	Corn	Oct 25/Nov 5	29,000	20.50
Brazil	Morocco	Corn	Sep 25/30	30,000	20.00
France	Algeria	Heavy Grain	Dec 10/20	25,000	27.50
France	Algeria	Wheat	Dec 1/5	25,000	26.00
Mexico	Algeria	Wheat	Nov 15/30	55,000	34.00
Ukraine	Italy	Corn	Oct 30/31	25,000	26.00
Ukraine	Sp Mediterranean	Grain	Dec 5/9	60,000	15.00

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

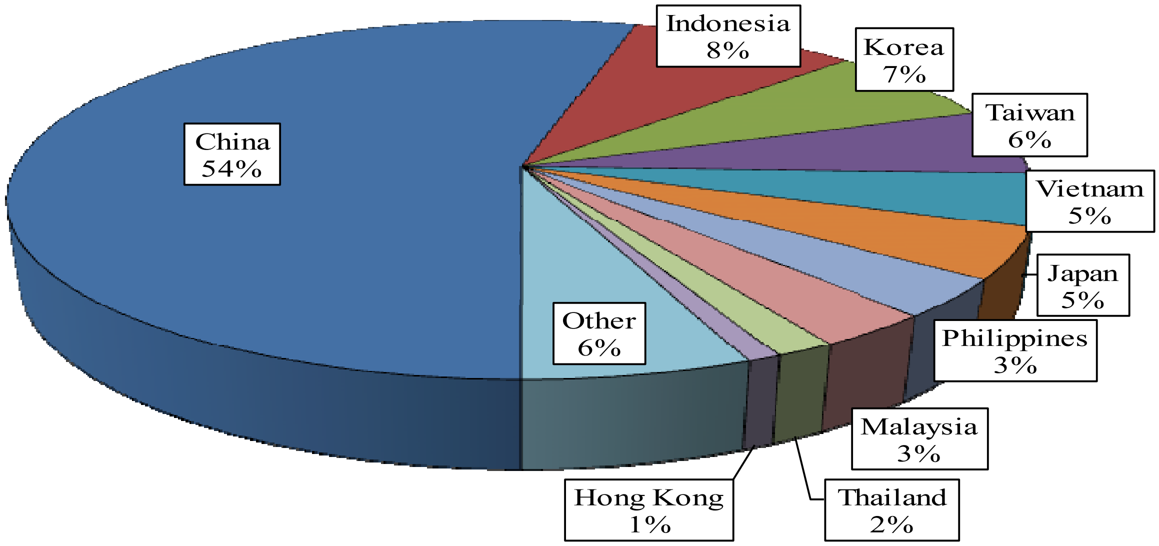
[1]50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2012, containers were used to transport 8 percent of total U.S. waterborne grain exports, up 1 percentage point from 2011. Approximately 66 percent of U.S. waterborne grain exports in 2012 went to Asia, of which 11 percent were moved in containers. Asia is the top destination for U.S. containerized grain exports—96 percent in 2012.

Figure 18

Top 10 Destination Markets for U.S. Containerized Grain Exports, August 2013

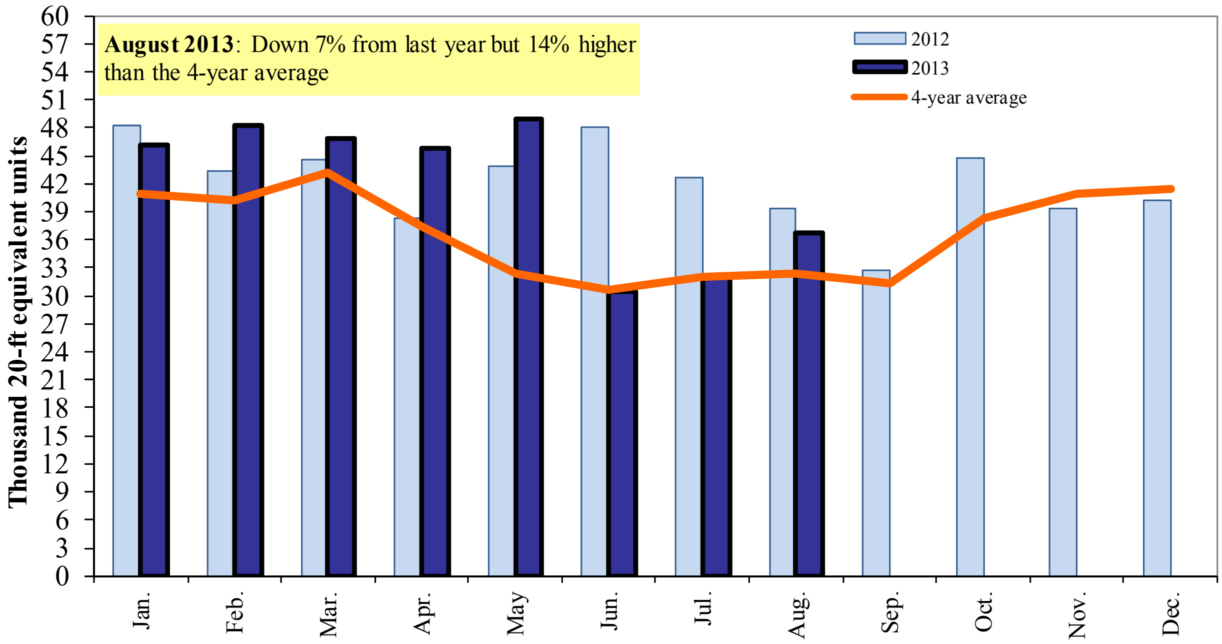


Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

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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Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* December 19, 2013. Web: http://dx.doi.org/10.9752/TS056.12-19-2013