



Grain Transportation Report

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

Contact Us

September 18, 2008

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WEEKLY HIGHLIGHTS

Rain Stalls Mississippi and Illinois River Barge Traffic

Rain from remnants of Hurricane Ike has caused high water conditions along the Illinois River and has closed a few locks on the Upper Illinois River due to flooding. Ike-related rain has caused flooding at St. Louis, where southbound barge traffic is restricted to daylight hours. The St. Louis delays should not significantly impact the river market because barge operators are currently experiencing delays due to Hurricane Gustav-related disruptions that remain in the New Orleans area. Until the backlog from Gustav is resolved, so barges can move back up the river, operations will not return to normal. Barge operators have indicated that anticipated traffic during this time of the year would normally be generated from the harvest of this year's corn crop, but is delayed because the crops are being harvested later than normal.

Bulk Ocean Shipping Rates Continue to Decline

Ocean shipping rates for bulk grain have declined for nine consecutive weeks due to economic slowdowns in the United States and other countries. The rate of growth of the Chinese economy has slowed, and less iron ore is being shipped. World logistics are helping to lower rates by running smoothly, as daily vessel transits through the Panama Canal have dropped to 30–33 vessels and waiting time to 48 hours. As of September 12, the cost of shipping grain from the Gulf to Japan was \$91 per mt, down 31 percent from July 11. The rate from the PNW to Japan was \$50 per mt, down 34 percent from July 11.

Mississippi Gulf Grain Inspections Rebound

For the week ending September 11, **total inspections of grain** (com, wheat, soybeans) for export reached 1.28 million metric tons (mmt), up 33 percent from the previous week but down 31 percent from last year. The increase was driven by a rebound in Mississippi Gulf grain inspections (.626 mmt) following recovery from Hurricane Gustav. Mississippi Gulf inspections rose 254 percent from the previous week as activity improved. Texas Gulf inspections (.182 mmt) also rebounded, increasing 37 percent from the previous week. Inspections in the Pacific Northwest (.400 mmt), however, decreased 28 percent due to decreased shipments to Asia.

Late Harvest and Weather Disruptions Team up to Slow Rail Grain Carloadings

Rail grain carloadings for the week ending September 6 were 22,126 carloads, down 15 percent from last week and down 1 percent from the same week last year. Likely causes can be found in the railroads' recovery from Hurricane Gustav and the preparations taken before Hurricane Ike, as well as a spring wheat harvest that is behind last year's pace. According to the September 15 NASS *Crop Progress Report*, the spring wheat harvest in the northern plains states was 7 percentage points behind the same week last year.
(<http://usda.mannlib.comell.edu/usda/current/CropProg/CropProg-09-15-2008.pdf>)

Snapshots by Sector

Ocean

During the week ending September 11, 23 U.S. **grain vessels** were loaded in the Gulf, down 52 percent from last year. Fifty-five **vessels** are due within the next 10 days, down 24 percent from last year.

Barge

During the week ending September 13, **barge grain movements** totaled 515,000 tons, down 16 percent from the previous week but up 29 percent from the same period last year.

Fuel

During the week ending September 15, U.S. average **diesel fuel prices** decreased 4 cents per gallon to \$4.02—1 percent lower than the previous week, but 36 percent higher than the same week last year.

Feature Article/Calendar

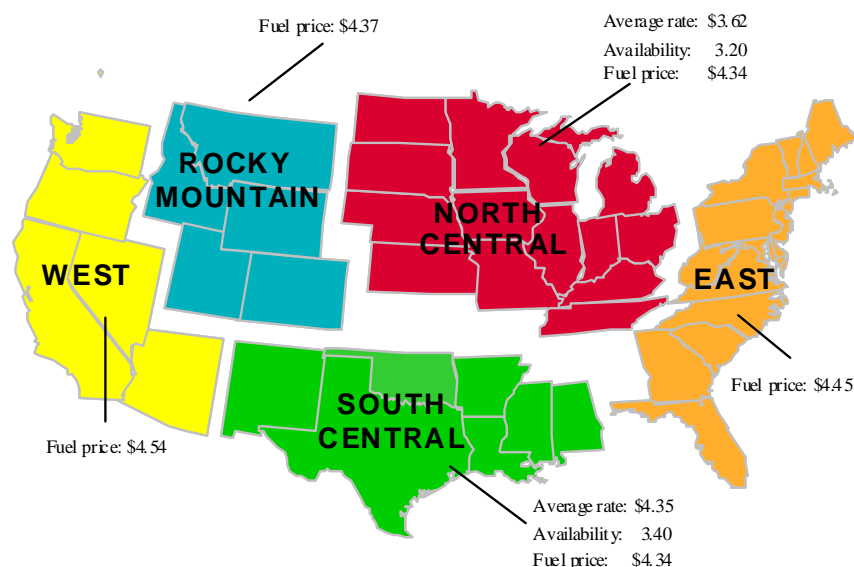
USDA's Quarterly Grain Truck Market Advisory

Trucks are important to the grain industry for both procurement and delivery to end users. Over 60 percent of the grain marketed in the United States is moved by truck (*Transportation of U.S. Grains, A Modal Share Analysis 1997 to 2004*, TSD). The newly released *Grain Truck Market Advisory* (GTAD) provides a window into this segment of the Nation's grain transportation system.

This quarterly report is based on responses from elevators across nine states that have been designated by their state grain and feed organizations as leaders in the truck grain-hauling market. The elevators are located in states that produce the most corn, wheat, and soybeans. They are asked to report rate information for a local haul of 25 miles, and for longer-distance trips of 100 and 200 miles. In addition, they report current and expected levels of truck use, compared with the same period last year. The information contained in the report provides a snapshot of the current truck grain-hauling market and expectations of future activity. The ongoing system of data collection establishes a foundation for identifying longer-term trends and shifts in the market that will be valuable in addressing marketing, policy, and risk management issues related to this critical mode of grain transportation. We invite you to view the [GTAD on our website](#).

In the latest GTAD, it costs an average of \$5.00 per mile (8 percent higher than the previous quarter) to move a truck load of grain for a short-haul movement of 25 miles. This calculates into 0.51 cents per mile per bushel of corn and 0.55 cents per mile per bushel of wheat or soybean. It costs an average of \$3.28 per mile (11 percent higher than the previous quarter) to move a truck load of grain for a long-haul movement of 200 miles. This calculates into 0.33 cents per mile per bushel of corn and 0.36 cents per mile per bushel of wheat or soybean. Rate increases are mostly due to inadequate rail service and rising diesel fuel prices.

U.S. Grain Truck Market Advisory, 2nd Quarter 2008



¹ Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles

Note: Fuel prices are a quarterly average (unit per gallon) Fuel price data source: Energy Information Administration U.S. Department of Energy, www.eia.doe.gov

demand for trucking activity was higher than it was during the same period a year earlier. In contrast, elevators from the South Central region indicated a decreased demand for trucking activity compared to last year ([figure 4 of GTAD](#)). The demand for trucking activity increased in the North Central region partly due to increased utilization of corn for ethanol production. Most corn moving to ethanol plants is transported by truck.

The GTAD's brief synopsis of truck rate data, survey of the perceived availability of truck service, and the relative changes in truck demand provides USDA and the grain industry pertinent information on a vital link between grain producers and end-users. April.Taylor@usda.gov, Surajudeen.Olowolayemo@usda.gov

In addition to fuel and rate information (see figure), the GTAD also collects information from grain elevators about the ease of hiring truck capacity (availability) and the demand for trucks relative to the previous year ([table 1 of GTAD](#)). The elevators reported increased difficulty in finding truck capacity during Quarter 2 of this year compared to the previous quarter and the same quarter a year ago ([figure 2 of GTAD](#)). The availability issue may be attributed to the extensive and prolonged flooding in the North Central and South Central regions along the Mississippi river and its tributaries during Quarter 2, which put pressure on truck transportation to supplement stalled rail and barge service. According to the survey, the respondents from the North Central region also indicated that the

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

	Truck	Rail ²	Barge	Ocean	
Week ending				Gulf	Pacific
09/17/08	270	202	340	407	355
09/10/08	272	227	338	470	376

¹Indicator: 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)

²The 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.

Table 2

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

Commodity	Origin-Destination	9/12/2008	9/5/2008
Corn	IL--Gulf	-1.00	-0.92
Corn	NE--Gulf	-0.99	-0.93
Soybean	IA--Gulf	n/a	-1.29
HRW	KS--Gulf	-1.40	-1.40
HRS	ND--Portland	-2.35	-2.15

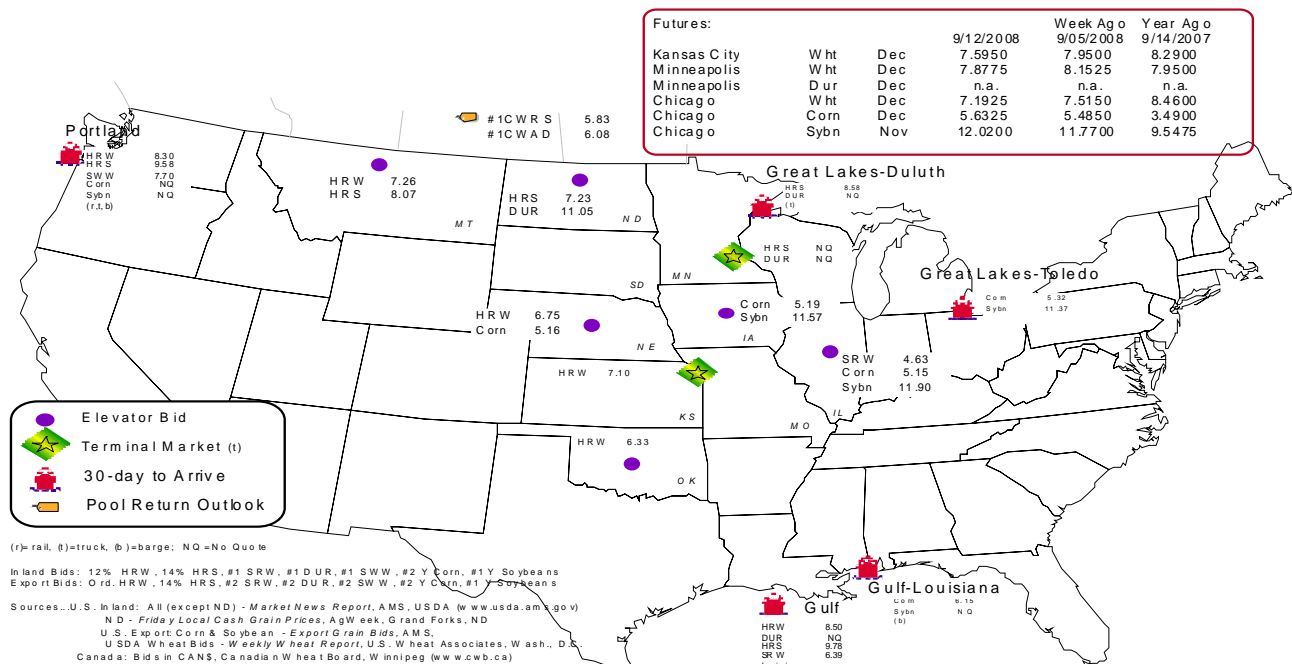
Note: nq = no quote

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 ²	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
9/10/2008 ^p	505	1,884	140	4,931	402	7,862
9/03/2008 ^r	1,352	1,475	603	3,780	300	7,510
2008 YTD	46,185	90,775	21,234	189,943	23,903	372,040
2007 YTD	33,925	67,608	30,051	151,088	15,614	298,286
2008 YTD as % of 2007 YTD	136	134	71	126	153	125
Last 4 weeks as % of 2007 ³	78	65	83	96	45	79
Last 4 weeks as % of 4-year avg. ³	88	103	62	98	77	94
Total 2007	62,169	113,730	40,725	227,970	31,369	475,963
Total 2006	96,593	99,866	45,971	213,682	29,334	485,446

¹ Data is incomplete as it is voluntarily provided; ² Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; ³ Compared with same 4-weeks in 2007 and prior 4-year average.

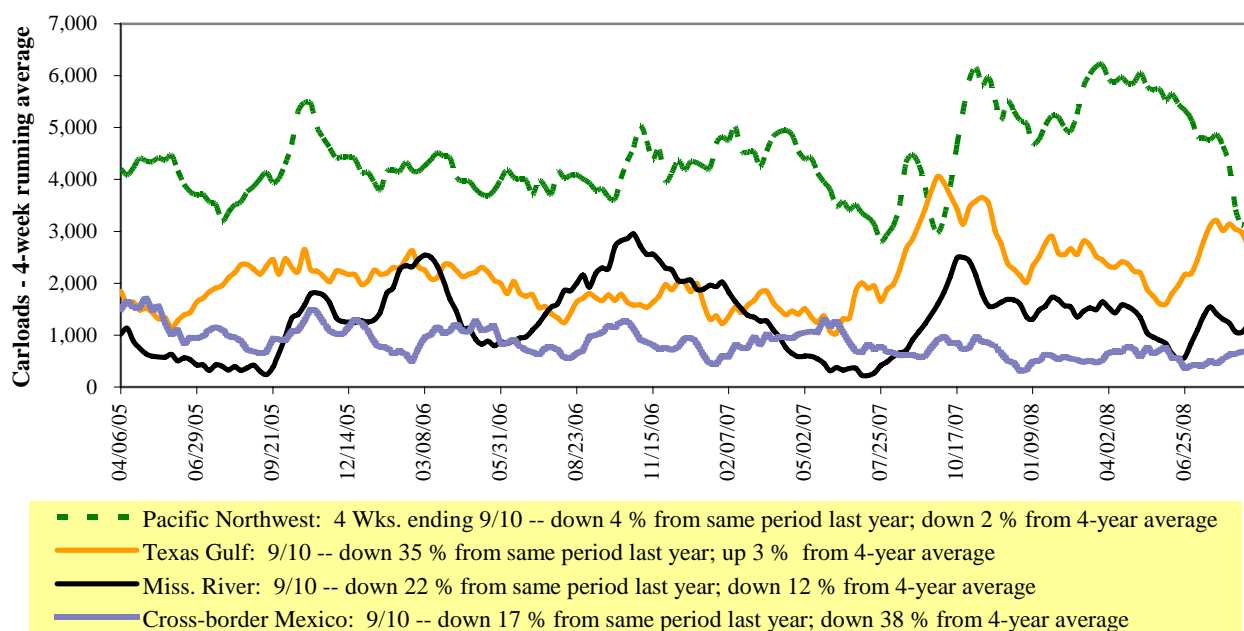
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 35 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

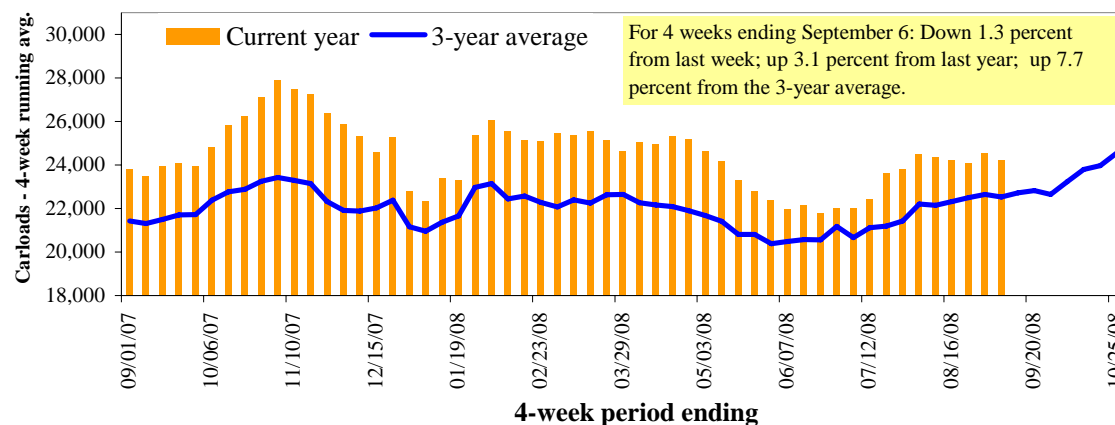
Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
09/06/08	1,614	2,582	10,847	470	6,613	22,126	3,502	3,770
This week last year	1,423	3,423	10,851	766	5,808	22,271	5,049	4,279
2008 YTD	98,247	112,764	399,730	24,771	234,313	869,825	154,766	141,148
2007 YTD	99,325	113,257	349,236	22,909	187,573	772,300	165,609	161,304
2008 YTD as % of 2007 YTD	99	100	114	108	125	113	93	88
Last 4 weeks as % of 2007 ¹	105	91	106	95	105	103	78	81
Last 4 weeks as % of 3-yr avg. ¹	79	98	116	107	111	108	82	84
Total 2007	147,937	166,780	536,362	33,980	292,973	1,178,032	250,852	240,401

¹As a percent of the same period in 2007 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

Rail Car Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
9/11/2008	Sep-08	Sep-07	Oct-08	Oct-07	Nov-08	Nov-07	Dec-08	Dec-07
BNSF ³								
COT grain units	no offer	no offer	20	no offer	8	no offer	3	177
COT grain single-car ⁵	no offer	no offer	1 . . 67	no offer	1 . . 75	no offer	1 . . 5	85 . 502
UP ⁴								
GCAS/Region 1	no offer	no offer	no bids	no offer	no bids	no offer	no offer	no offer
GCAS/Region 2	no offer	no offer	1	no offer	no bids	164	no offer	no offer

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.

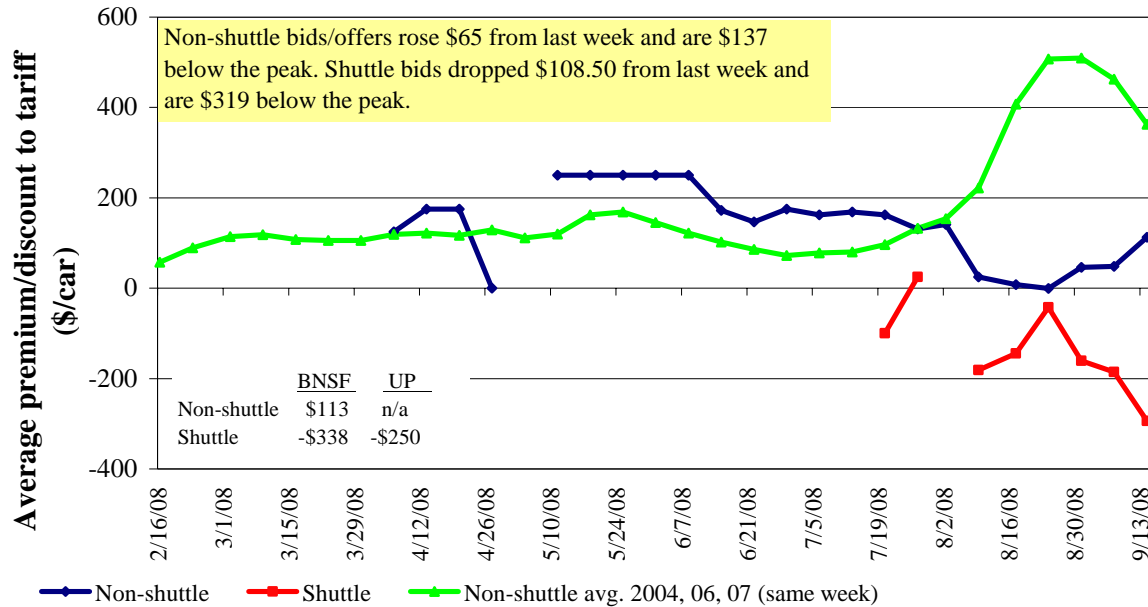
Source: Transportation & Marketing Programs/AMS/USDA.

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

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 September 2008, Secondary Market



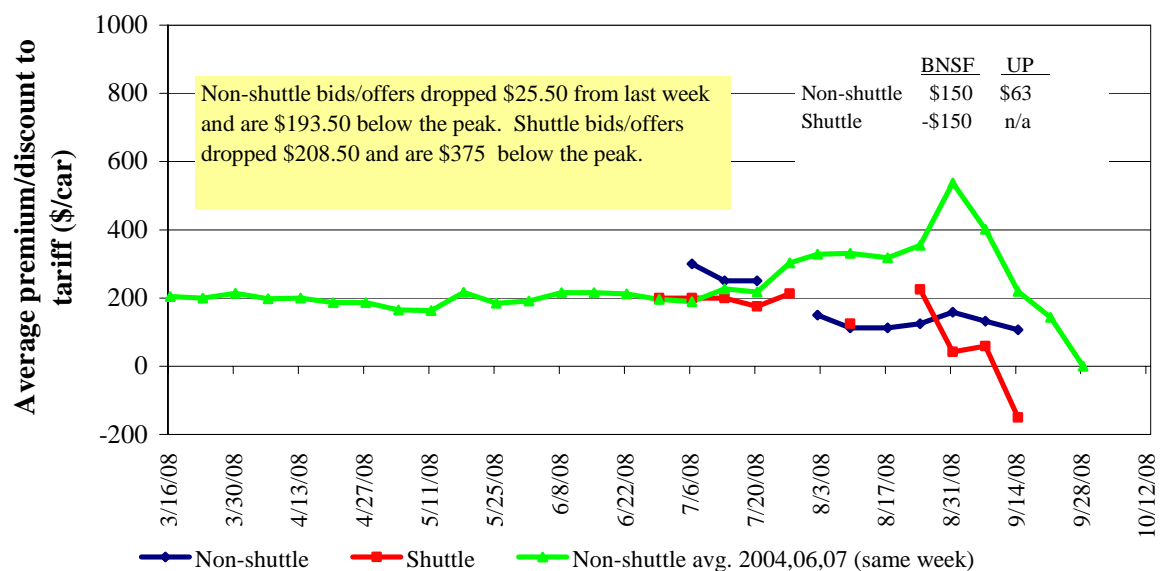
Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

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 October 2008, Secondary Market

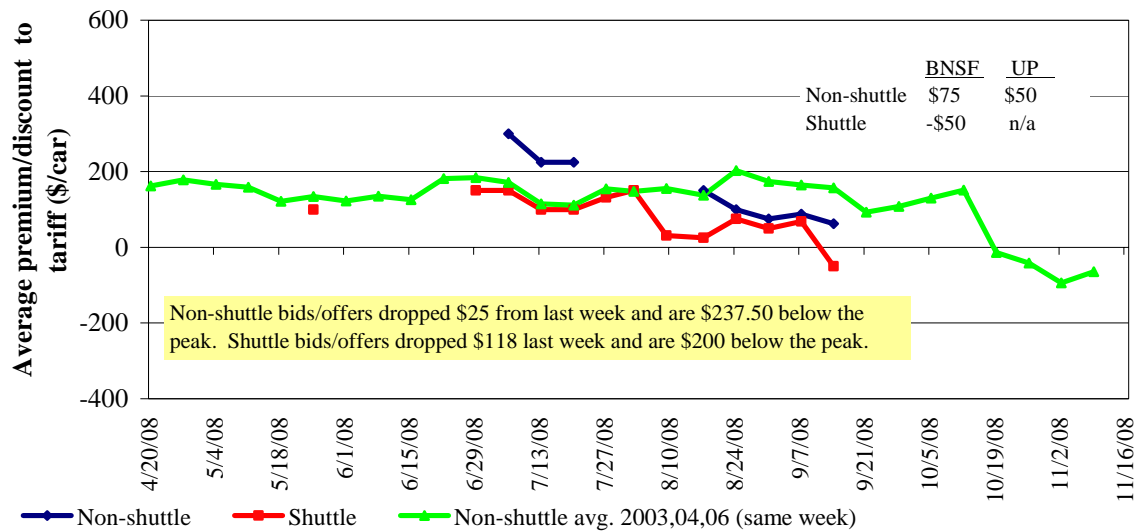


Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

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 November 2008, Secondary Market

Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Rail Car Market (\$/car)¹

Week ending 9/13/2008	Delivery period					
	Sept-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09
Non-shuttle						
BNSF-GF	113	150	75	n/a	n/a	n/a
Change from last week	-100	-47	-25	n/a	n/a	n/a
Change from same week 2007	-687	-842	-375	n/a	n/a	n/a
UP-Pool	n/a	63	50	50	n/a	n/a
Change from last week	n/a	-4	-25	0	n/a	n/a
Change from same week 2007	n/a	-670	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	-338	-150	-50	n/a	n/a	n/a
Change from last week	-117	-192	-111	n/a	n/a	n/a
Change from same week 2007	-1663	-1450	-850	n/a	n/a	n/a
UP-Pool	-250	n/a	n/a	n/a	n/a	n/a
Change from last week	-100	n/a	n/a	n/a	n/a	n/a
Change from same week 2007	-1075	n/a	n/a	n/a	n/a	n/a

¹Average premium/discount to tariff, \$/car-last week

²Shuttle 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			Percent
9/8/2008	Origin region	Destination region	Tariff rate/car	surcharge per car	Tariff plus surcharge per: metric ton	bushel ²	change Y/Y ³
Unit train¹							
Wheat	Chicago, IL	Albany, NY	\$2,422	\$460	\$31.77	\$0.86	18
	Kansas City, MO	Galveston, TX	\$2,528	\$437	\$32.69	\$0.89	23
	South Central, KS	Galveston, TX	\$3,170	\$611	\$41.67	\$1.13	25
	Minneapolis, MN	Houston, TX	\$3,314	\$1,237	\$50.17	\$1.37	20
	St. Louis, MO	Houston, TX	\$3,080	\$424	\$38.62	\$1.05	26
	South Central, ND	Houston, TX	\$5,278	\$1,375	\$73.34	\$2.00	31
	Minneapolis, MN	Portland, OR	\$3,840	\$1,503	\$58.90	\$1.60	17
	South Central, ND	Portland, OR	\$3,840	\$1,235	\$55.94	\$1.52	15
	Northwest, KS	Portland, OR	\$4,615	\$1,644	\$69.00	\$1.88	17
	Chicago, IL	Richmond, VA	\$2,353	\$596	\$32.50	\$0.88	5
Com	Chicago, IL	Baton Rouge, LA	\$3,260	\$536	\$41.84	\$1.06	17
	Council Bluffs, IA	Baton Rouge, LA	\$3,107	\$572	\$40.56	\$1.03	19
	Kansas City, MO	Dalhart, TX	\$3,284	\$445	\$41.11	\$1.04	20
	Minneapolis, MN	Portland, OR	\$3,350	\$1,503	\$53.50	\$1.36	23
	Evansville, IN	Raleigh, NC	\$2,708	\$582	\$36.27	\$0.92	21
	Columbus, OH	Raleigh, NC	\$2,597	\$509	\$34.24	\$0.87	20
	Council Bluffs, IA	Stockton, CA	\$5,280	\$1,624	\$76.11	\$1.93	19
	Chicago, IL	Baton Rouge, LA	\$3,309	\$536	\$42.38	\$1.15	17
Soybeans	Council Bluffs, IA	Baton Rouge, LA	\$3,156	\$572	\$41.10	\$1.12	19
	Minneapolis, MN	Portland, OR	\$4,160	\$1,503	\$62.43	\$1.70	21
	Evansville, IN	Raleigh, NC	\$2,708	\$582	\$36.27	\$0.99	21
	Chicago, IL	Raleigh, NC	\$3,308	\$724	\$44.45	\$1.21	20
	Shuttle Train						
Wheat	St. Louis, MO	Houston, TX	\$2,642	\$424	\$33.80	\$0.92	31
	Minneapolis, MN	Portland, OR	\$3,540	\$1,503	\$55.59	\$1.51	19
Com	Fremont, NE	Houston, TX	\$2,448	\$909	\$37.01	\$0.94	25
	Minneapolis, MN	Portland, OR	\$3,348	\$1,503	\$53.48	\$1.36	25
Soybeans	Council Bluffs, IA	Houston, TX	\$2,606	\$881	\$38.44	\$1.05	23
	Minneapolis, MN	Portland, OR	\$3,502	\$1,503	\$55.17	\$1.50	25

¹ A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of 75-110 cars that meet railroad efficiency requirements.

² Approximate load per car = 100 short tons (90.72 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

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

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

Table 8

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

Effective date: 9/8/2008			Fuel			Percent	
	Origin		Tariff	surcha	Tariff plus surcharge per:	change	
Commodity	state	Destination region	rate/car ¹	per car	metric ton	bushe ²	Y/Y ³
Wheat	MT	Chihuahua, CI	\$5,803	\$1,399	\$73.59	\$2.00	19
	OK	Cuautitlan, EM	\$5,314	\$1,214	\$66.70	\$1.81	30
	KS	Guadalajara, JA	\$5,784	\$1,278	\$72.15	\$1.96	28
	TX	Salinas Victoria, NL	\$2,939	\$440	\$34.53	\$0.94	n/a
Corn	IA	Guadalajara, JA	\$6,668	\$1,477	\$83.23	\$2.11	18
	SD	Penjamo, GJ	\$6,515	\$1,830	\$85.27	\$2.16	19
	NE	Queretaro, QA	\$6,021	\$1,352	\$75.33	\$1.91	n/a
	SD	Salinas Victoria, NL	\$4,597	\$1,391	\$61.18	\$1.55	21
	MO	Tlalnepantla, EM	\$5,429	\$1,317	\$68.93	\$1.75	n/a
	SD	Torreon, CU	\$5,510	\$1,533	\$71.96	\$1.83	19
Soybeans	MO	Bojay (Tula), HG	\$6,131	\$1,280	\$75.72	\$2.06	19
	NE	Guadalajara, JA	\$6,674	\$1,468	\$83.19	\$2.26	21
	IA	Penjamo (Celaya), GJ	\$6,546	\$1,819	\$85.47	\$2.32	22
	KS	Torreon, CU	\$5,282	\$989	\$64.07	\$1.74	19
Sorghum	OK	Cuautitlan, EM	\$4,224	\$1,389	\$57.36	\$1.46	20
	TX	Guadalajara, JA	\$4,720	\$1,191	\$60.40	\$1.53	16
	NE	Penjamo, GJ	\$6,248	\$1,357	\$77.70	\$1.97	19
	KS	Queretaro, QA	\$5,341	\$983	\$64.61	\$1.64	16
	NE	Salinas Victoria, NL	\$4,279	\$981	\$53.75	\$1.36	18
	NE	Torreon, CU	\$5,210	\$1,117	\$64.64	\$1.64	18

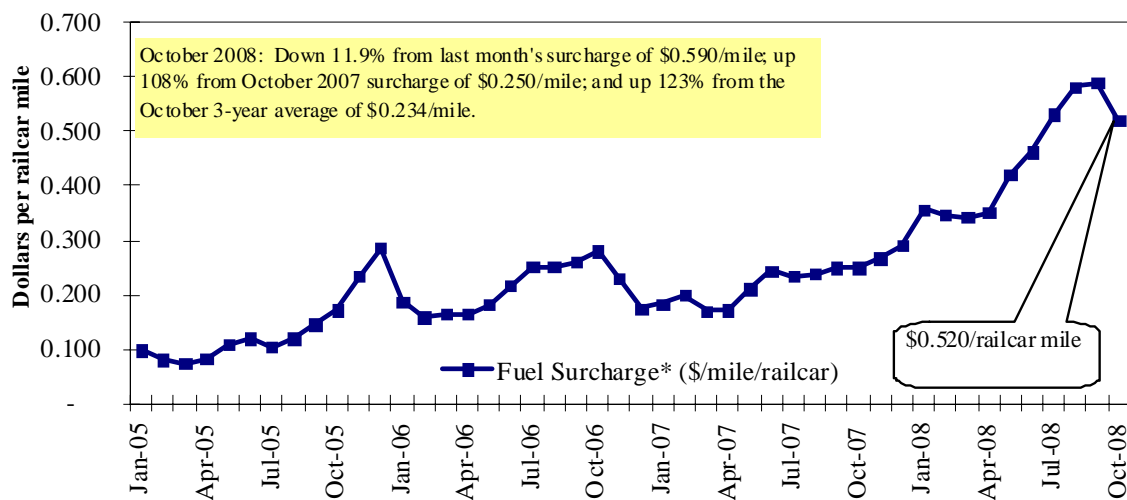
¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75–110 cars that meet railroad efficiency requirements.

²Approximate load per car = 97.87 metric tons: Corn & Sorghum 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.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.

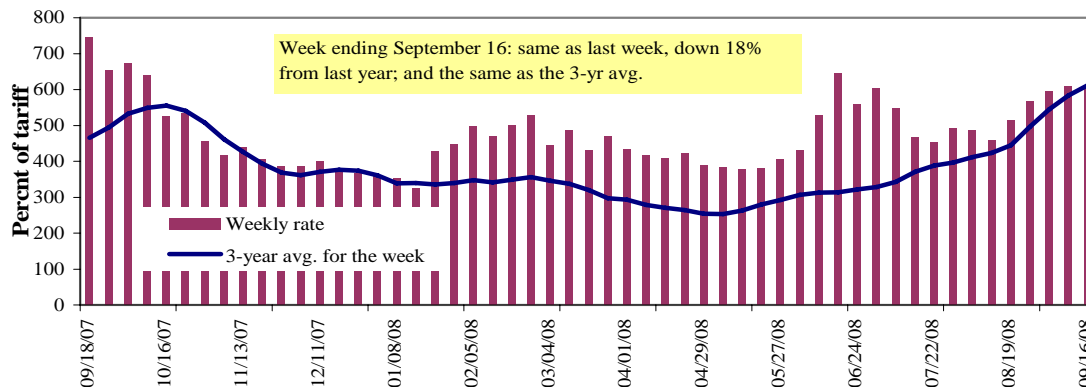
* Mileage-based fuel surcharges from December 2004 through March 2007 are estimated.

Sources: www.bnsf.com, www.cn.ca, www8.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	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo- Memphis
Rate¹	9/16/2008	577	603	612	587	640	640	587
	9/9/2008	572	584	609	600	599	599	617
\$/ton	9/16/2008	35.72	32.08	28.40	23.42	30.02	25.86	18.43
	9/9/2008	35.41	31.07	28.26	23.94	28.09	24.20	19.37
Current week % change from the same week:								
	Last year	-15	-17	-18	-13	-17	-17	-5
	3-year avg. ²	2	0	0	-7	0	0	-8
Rate¹	October	663	657	662	650	675	675	638
	December	-	-	510	423	468	468	383

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-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

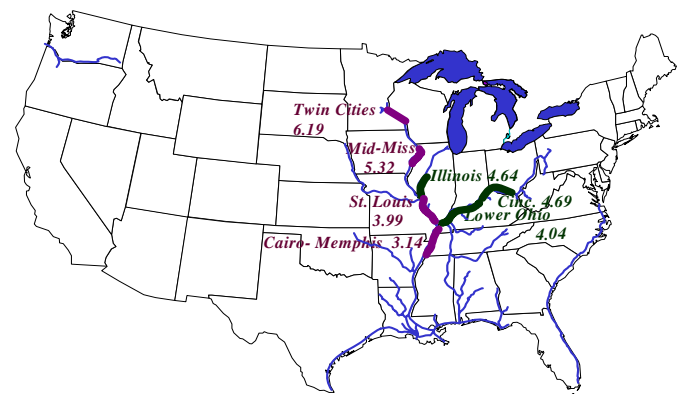
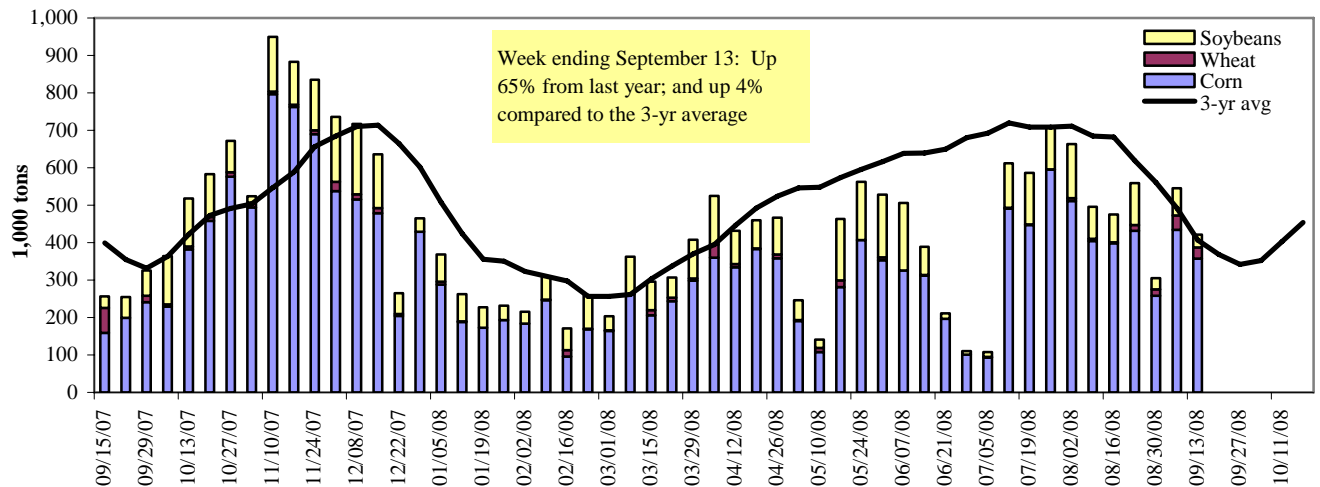


Figure 10

Barge Movements on the Mississippi River¹ (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/webrrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 9/13/2008	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	165	24	15	0	204
Winfield, MO (L25)	304	37	37	0	378
Alton, IL (L26)	368	31	35	0	434
Granite City, IL (L27)	357	30	34	6	427
Illinois River (L8)	66	0	2	0	68
Ohio River (L52)	29	24	14	0	66
Arkansas River (L1)	3	14	0	3	21
Weekly total - 2008	389	68	48	9	515
Weekly total - 2007	231	101	41	26	399
2008 YTD ¹	13,786	1,160	4,503	365	19,814
2007 YTD	17,081	1,359	4,208	381	23,029
2008 as % of 2007 YTD	81	85	107	96	86
Last 4 weeks as % of 2007 ²	147	86	98	74	125
Total 2007	25,510	1,711	6,566	975	34,398

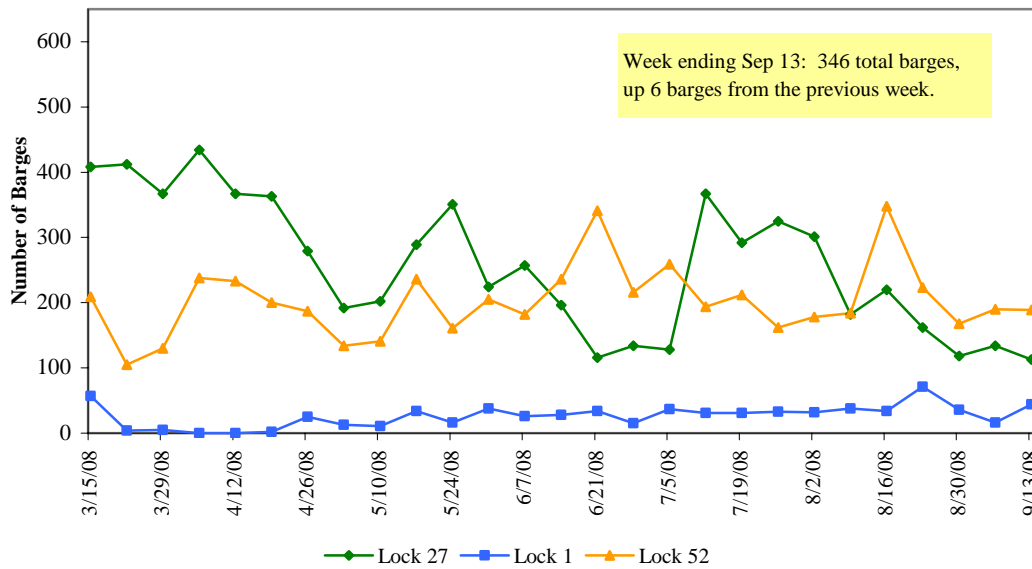
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2007.

Note: Total may not add exactly, due to rounding

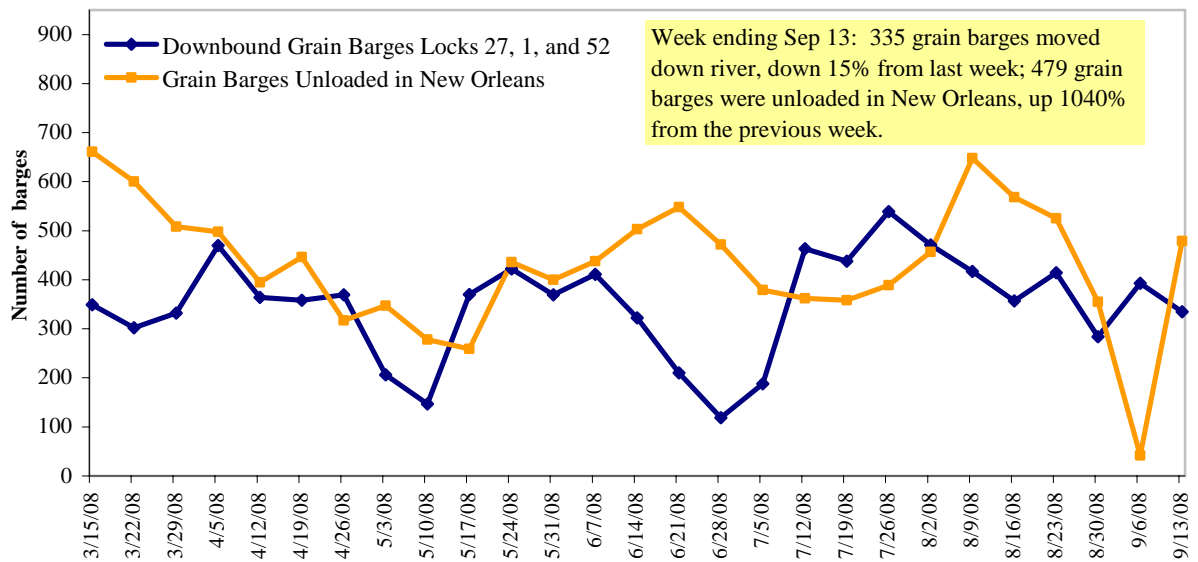
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrrpts/default.asp)

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. Diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 9/15/08 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.082	-0.018	1.121
	New England	4.246	-0.066	1.221
	Central Atlantic	4.166	-0.080	1.112
	Lower Atlantic	4.031	0.013	1.115
II	Mid west ²	3.973	-0.042	0.989
III	Gulf Coast ³	4.011	-0.004	1.108
IV	Rocky Mountain	4.041	-0.064	1.069
V	West Coast	4.056	-0.100	1.058
	California	4.053	-0.132	1.030
Total	U.S.	4.023	-0.036	1.059

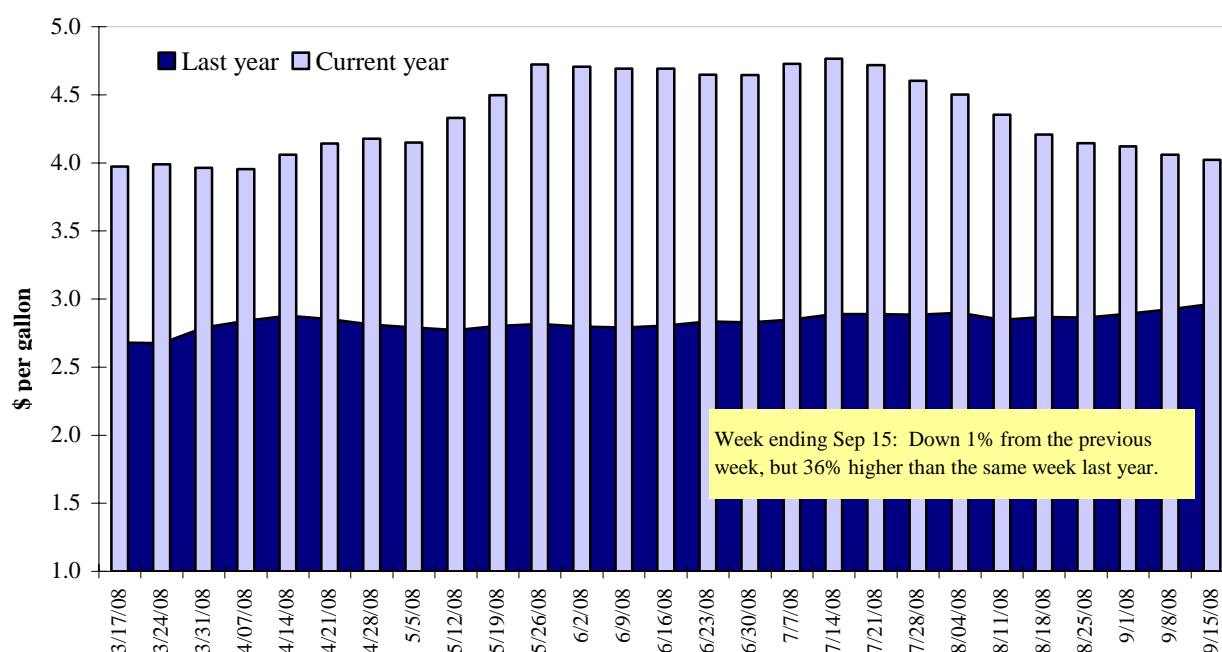
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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)

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances ¹									
9/4/2008	2,663	1,088	1,635	738	149	6,273	11,884	8,913	27,070
This week year ago	4,667	1,643	2,500	1,283	435	10,528	15,762	7,997	34,287
Cumulative exports-marketing year ²									
2008/09 YTD	4,934	2,307	1,069	718	160	9,188	199	33	9,420
2007/08 YTD	3,421	2,314	1,748	1,138	232	8,853	884	111	9,848
YTD 2008/09 as % of 2007/08	144	100	61	63	69	104	23	30	96
Last 4 wks as % of same period 2007/08	65	67	65	66	34	64	36	40	45
2006/07 Total	6,800	3,866	6,480	4,996	761	22,902	53,799	30,261	106,962
2005/06 Total	10,459	2,037	7,244	4,159	930	24,828	54,354	25,570	104,752

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year 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 Importers¹ of U.S. Corn

Week ending 09/04/08	Total Commitments ²		% change current MY from last MY	Exports ³ 2007/08
	2008/09 Current MY	2007/08 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	3,643	4,364	(17)	15,294
Mexico	2,563	3,015	(15)	8,767
Korea	1,254	1,117	12	8,621
Taiwan	239	614	(61)	3,476
Egypt	284	687	(59)	3,309
Top 5 importers	7,983	9,797	(19)	39,467
Total US corn export sales	12,083	16,645	(27)	59,950
% of Projected	24%	27%		
Change from Last Week	2,954	3,691		
Top 5 importers' share of U.S. corn export sales	66%	59%		
USDA forecast, September 2008	50,800	61,595	(18)	
Corn Use for Ethanol USDA forecast, September 2008	104,140	76,200	37	

(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 Importers¹ of U.S. Soybeans

Week ending 09/04/08	Total Commitments ²		% change current MY from last MY	Exports ³ 2007/08
	2008/09 Current MY	2007/08 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	4,562	4,592	(1)	13,354
Mexico	605	788	(23)	3,575
Japan	1,206	696	73	2,710
EU-25	305	60	408	3,896
Taiwan	182	231	(21)	1,728
Top 5 importers	6,860	6,366	8	25,262
Total US soybean export sales	8,946	8,107	10	
% of Projected	33%	26%		
Change from last week	1,348	1,293		
Top 5 importers' share of U.S. soybean export sales	77%	79%		
USDA forecast, September 2008	27,220	31,430	(13)	
Soybean Use for Biodiesel USDA forecast, September 2008	7,810	7,300	7	

(n) indicates negative number.

¹Based on FAS 2006/07 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.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week ending 09/04/08	Total Commitments ²		% change current MY from last MY	Exports ³ 2007/08
	2008/09 Current MY	2007/08 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	1,657	1,263	31	3,319
Egypt	1,215	2,573	(53)	3,276
Nigeria	1,482	1,280	16	2,597
Mexico	1,496	1,078	39	2,568
Iraq	1,166	804	45	1,964
Philippines	1,031	1,100	(6)	1,538
Korea, South	533	493	8	1,509
Indonesia	332	335	(1)	1,093
Taiwan	192	446	(57)	1,068
Venezuela	250	389	(36)	997
Top 10 importers	9,353	9,759	(4)	19,930
Total US wheat export sales	15,461	19,395	(20)	34,480
% of Projected	57%	56%		
Change from last week	457	2,125		
Top 10 importers' share of U.S. wheat export sales	60%	50%		
USDA forecast, September 2008	27,220	34,480	(21)	

(n) indicates negative number.

¹Based on FAS 2007/08 Marketing Year Ranking Reports (except Algeria) - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.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 09/11/08	2008 YTD ¹	2007 YTD ¹	2008 YTD as % of 2007 YTD	Last 4-weeks as % of		Total ¹ 2007
					2007	3-yr. avg.	
Pacific Northwest							
Wheat	176	7,533	8,237	91	104	112	11,913
Corn	162	9,840	6,576	150	145	108	9,171
Soybeans	62	5,583	4,390	127	46	64	7,648
Total	400	22,956	19,203	120	106	104	28,732
Mississippi Gulf							
Wheat	87	4,304	4,599	94	70	121	6,296
Corn	426	21,235	23,339	91	56	66	34,832
Soybeans	112	8,661	8,882	98	72	81	14,930
Total	626	34,200	36,821	93	61	76	56,058
Texas Gulf							
Wheat	182	7,523	5,129	147	59	95	8,558
Corn	0	1,364	673	203	80	36	1,441
Soybeans	0	105	76	139	n/a	n/a	108
Total	182	8,992	5,878	153	60	85	10,107
Great Lakes							
Wheat	52	396	1,299	31	41	65	2,721
Corn	11	186	453	41	71	38	894
Soybeans	0	41	46	89	0	0	510
Total	63	624	1,799	35	44	58	4,125
Atlantic							
Wheat	4	710	886	80	48	78	1,281
Corn	0	461	269	172	29	31	699
Soybeans	0	352	314	112	93	135	564
Total	4	1,524	1,469	104	52	80	2,544
U.S. total from ports ²							
Wheat	501	20,070	18,852	106	71	102	30,770
Corn	599	33,086	31,310	106	71	73	47,036
Soybeans	174	14,743	13,709	108	63	77	23,760
Total	1,275	67,899	63,870	106	70	84	101,566

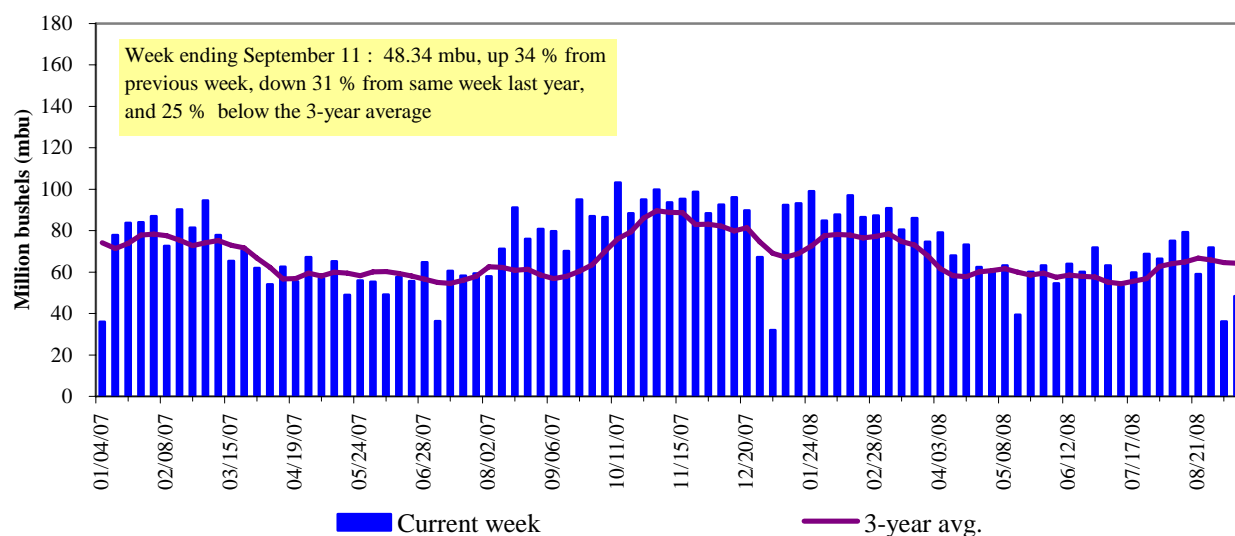
¹ Includes weekly revisions, some regional totals may not add exactly due to rounding.² Total includes only port regions shown above

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, it 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 48 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2007.

Figure 14

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

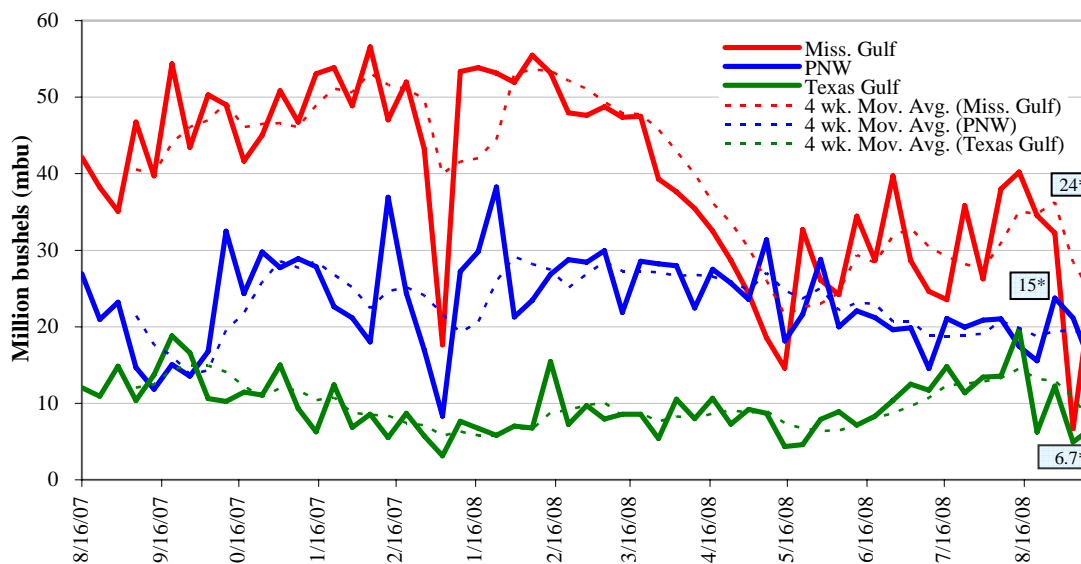


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

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



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

Sep.11: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 259	up 36	up 164	down 29
Last year (same week)	down 39	down 51	down 43	up 28
3-yr avg. (4-wk mov. avg.)	down 26	down 25	down 26	down 17

Ocean Transportation

Table 17

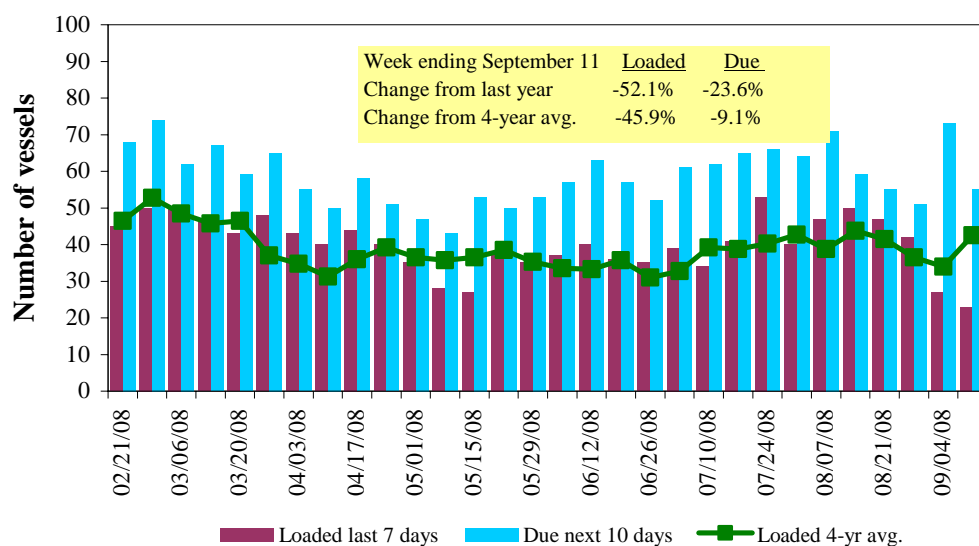
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
9/1/2008	46	23	55	14	n/a
9/4/2008	32	27	73	12	n/a
2007 range	(15..55)	(27..61)	(39..87)	(3..16)	(0..15)
2007 avg.	33	44	64	8	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

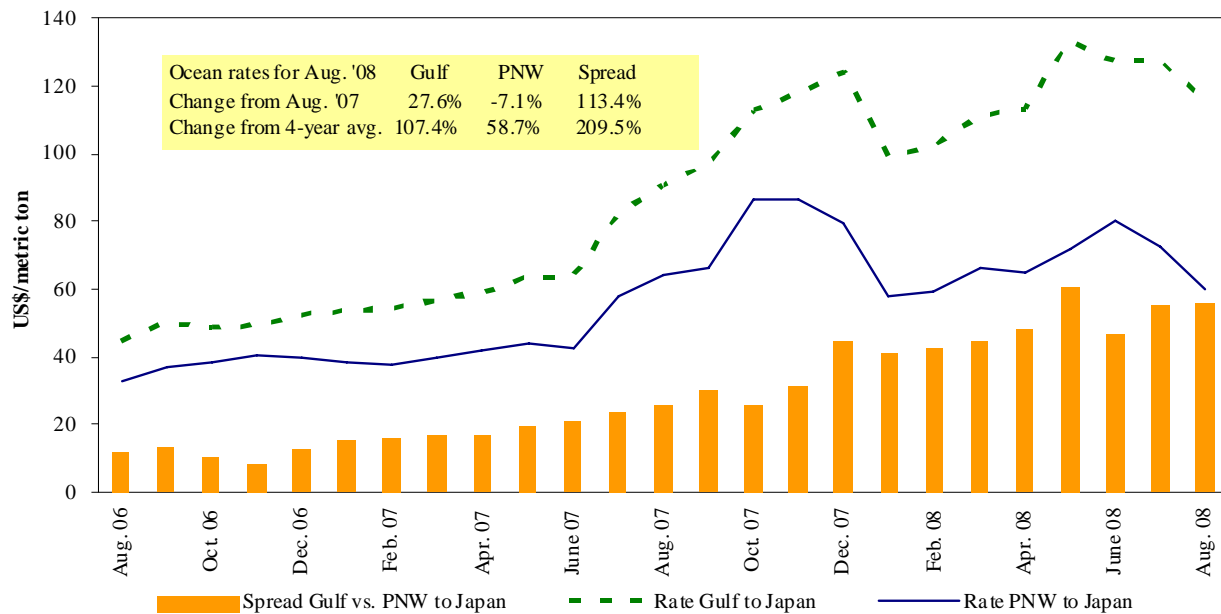
U.S. Gulf¹ Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan

Source: Baltic Exchange (www.balticexchange.com)/ Drewry Shipping Consultants Ltd (www.drewry.co.uk)/O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 9/13/2008

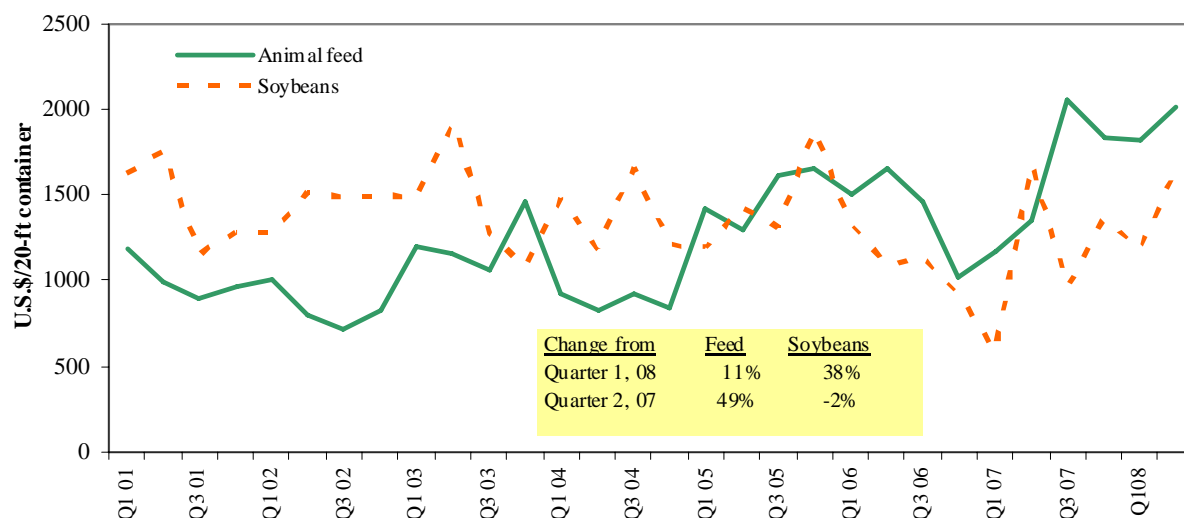
Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Ethiopia ¹	Wheat	Oct 5/15	34,180	129.96
U.S. Gulf	Haiti	Wheat	Aug 11/21	3,190	42.50
Brazil	Belgium	Hvy Grain	May 26/30	50,000	77.25
Brazil	Montoir	Soybean Meal	Sep 9/15	43,000	55.00
River Plate	Egypt Mediterranean	Hvy Grain	Jul 5/10	22,500	90.00
River Plate	Spain Mediterranean	Soybean Meal	Jun 5/10	25,000	115.00
River Plate	Spain	Grain	Jul 18/25	22,500	86.00
River Plate	Algeria	Soybean Meal	Aug 25/30	25,000	92.00
River Plate	Algeria	Hvy Grain	Jul 20/30	35,000	98.00
River Plate	Algeria	Hvy Grain	Sep 1/10	20,000	101.00
River Plate	Egypt	Hvy Grain	Jul 10/12	30,000	90.00
River Plate	Morocco	Maize	Aug 2/10	20,000	91.00
River Plate	Morocco	Hvy Grain	Aug 2/12	22,000	96.50
River Plate	Morocco	Hvy Grain	Sep 15/22	25,000	77.00
Russia	Egypt Mediterranean	Wheat	Sep 16/20	25,000	28.00
Vancouver	China	Canola	Sep 22/29	55,000	44.00

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

¹75 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)

Figure 18

Ocean Rates¹ for Containerized Shipments to Selected Asian Countries

¹Rates are weighted by shipping line market share and destination country. Rates provided are publicly filed tariff rates, not those negotiated in a confidential service contract.

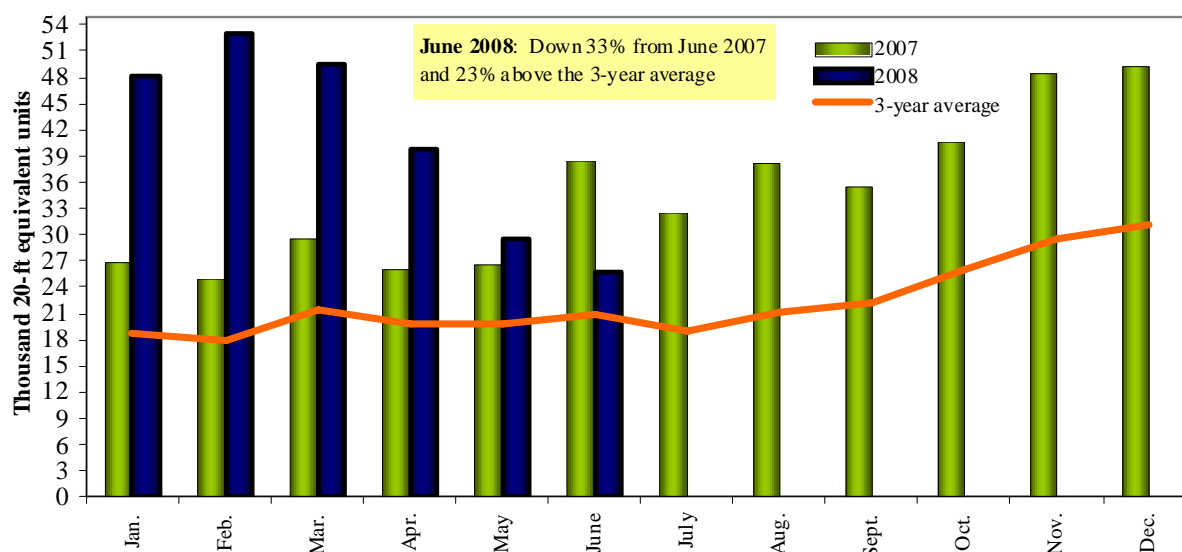
Countries include: Animal Feed: Bangkok-Thailand (12%), Busan-Korea (40%), Hong Kong (17%), Kaohsiung/Keelung-Taiwan (16%), Tokyo-Japan (15%). Soybeans: Busan-Korea, (1%), Kaohsiung/Keelung-Taiwan (96%), Tokyo-Japan (3%)

Source: Ocean Rate Bulletin, Quarter 2, 2008, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2007, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 9 percent of U.S. grain exports to Asia.

Figure 19

Monthly Shipments of Containerized Grain to Asia

Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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